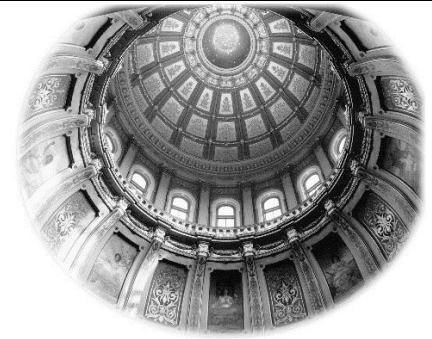


CAPITOL NEWS UPDATE

WEEK OF August 6, 2014

Individual Attention. Precision Strategy. Proven Results



NO ELECTION SURPRISES

Although Tea Party candidates brewed strong challenges in some Republican primary races, when the votes were tallied they were not able to sip little sweet taste of victory as the GOP political establishment scored a four-to-one edge over Tea Party candidates in competitive primaries.

CONGRESSIONAL RACES:

1st District: U.S. Rep. Dan Benishek (R-Crystal Falls) easily defeated his opponent Arlan Arcand.

3rd District: Even though U.S. Rep. Justin Amash (R-Cascade Twp.) didn't garner the support of the GOP establishment, he was able to beat Brian Ellis, an East Grand Rapids school board member.

4th District: State Sen. John Moolenaar (R-Midland) defeated Paul Mitchell of Ann Arbor poured more than \$4.2 million of his own money, and Pete Konetchy of Roscommon for the GOP nomination to replace U.S. Rep. Dave Camp (R-Midland) who did not seek re-election.

8th District: Former state Sen. Mike Bishop of Rochester beat back a challenge by term-limited Rep. Tom McMillan (R-Rochester Hills) for the GOP nomination to replace U.S. Rep. Mike Rogers who did not seek re-election.

On the Democratic side, Ingham County Treasurer Eric Schertzing survived a tough fight from Central University professor Susan Grettenberger as well as Ken Darga and Jeffrey Hank to face Bishop in the November general election.

11th District: Attorney David Trott handily defeated incumbent U.S. Rep. Kerry Bentivolio (R-Farmington) who was endorsed by the Tea Party Express.

Facing Trott in November will be former state official Bobby McKenzie who defeated Democratic challengers Anil Kumar, Bill Roberts and Nancy Skinner to capture the Democratic nomination.

12th District: Debbie Dingell, wife of U.S. Rep. John Dingell (D-Dearborn) trounced Raymond Mullins to succeed her husband who is retiring.

13th District: Longtime U.S. Rep. John Conyers, Jr. (D-Detroit) soundly defeated challenger Horace Sheffield (D-Detroit)

14th District: Southfield Mayor Brenda Lawrence edged out state Rep. Rudy Hobbs (D-Southfield) for the Democratic nomination to succeed U.S. Rep. Gary Peters who is running for the U.S. Senate.

STATE HOUSE:

Conservative challengers went one for 13 in their efforts to take down incumbent House Republicans, but there significant victory was the defeat of House Commerce Committee Chair Frank Foster (R-Petoskey)

who was beaten by private school teacher Lee Chatfield of Levering garnering 54.7 percent of the vote in the 107th District.

39th District: Rep. Klint Kesto (R-Commerce Twp.) beat back a Tea Party challenge by Deb O'Hagen of West Bloomfield.

46th District: A conservative challenge by John Reilly of Oakland fizzled as Rep. Brad Jacobsen (R-Oxford) held on.

Other House Republicans who easily defeated Tea Party challengers were Reps. Lisa Posthumus Lyons (R-Alto) winning over Angela Rigas of Alto and Al Pscholka (R-Stevensville) downing Cindy Duran of St. Joseph.

Reps. Dave Pagel (R-Berrien Springs) and Ben Glardon (R-Owosso) both handily defeated their opponents.

STATE SENATE:

Three top conservatives won Republican opportunities to win House seats in November.

Todd Courser of Lapeer, Cindy Gamrat of Plainwell and Gary Glenn of Midland were all won heated GOP primary races and are heavy favorites to win in the general election.

2nd District: Sen. Bert Johnson (D-Detroit) handily defeated challenger Rep. John Olumba (D-Detroit).

4th District: Sen. Virgil Smith (D-Detroit) bested a challenge from Rep. Alberta Tinsley-Talib and Howard Worthy.

13th District: Union-endorsed Cyndi Peltonen, a former Clawson School Board member beat well-funded Ryan Fishman to capture the Democratic nomination.

On the Republican side, former Rep. Marty Knollenberg edged former Rep. Rocky Raczkowski by 72 votes and a third candidate, former Rep. Chuck Moss to succeed term-limited Sen. John Pappageorge (R-Troy).

15th District: Sen. Mike Kowall (R-White Lake) beat back a stiff challenge from Matt Maddock and a third candidate Ron Molenaar.

20th District: Rep. Margaret O'Brien (R-Portage) will be the Republican nominee easily defeating Ron Zuiderveen, Jr. and will face Rep. Sean McCann (D-Kalamazoo) to succeed term-limited Sen. Tonya Schuitmaker (R-Lawton).

23rd District: In a no surprise race, Ingham County Register of Deeds Curtis Hertel won the Democratic nomination to succeed term-limited Senate Minority Leader Gretchen Whitmer.

28th District: Rep. Peter MacGregor (R-Rockford) defeated former Rep. Kevin Green for the Republican nomination to succeed term-limited Sen. Mark Jansen (R-Grand Rapids).

31st District: Sen. Mike Green (R-Mayville) turned back a competitive race by Rep. Kevin Daley (R-Lum).

37th District: In a nasty battle to replace term-limited Sen. Howard Walker (R-Traverse City), Rep. Wayne Schmidt (R-Traverse City) beat Rep. Greg MacMaster (R-Kewadin).

Incumbent Sen. Mike Green (R-Mayville) defeated challenger Rep. Kevin Daley (R-Attica) in the 31st District.

PROPOSAL 1 PASSES

Voters approved by a roughly 70 to 30 percent margin Proposal 1 that phases out the Personal Property Tax (PPT) on industrial and some commercial equipment between 2016 and 2023 and replaces lost local revenue by shifting money from the state's six percent use tax.

OFFICIALS NAMED TO NITC OVERSIGHT AUTHORITIES

Gov. Rick Snyder and Lisa Raitt, Canada's minister of transport, have appointed officials to the two boards that will oversee and carry out the New International Bridge Crossing (NITC) project between Detroit and Windsor.

Snyder's appointments are Michael Hayes, Birgit Klohs and Matt Rizik. All three have ties to business or have been appointed to state government positions in the past.

The next step in the process is land acquisition and getting the U.S. government to fund construction of a toll plaza on the Detroit side.

MORE FINANCIAL PENALTIES OR CONTRACT CANCELLATION?

Prison food provider Aramark is expected to learn in the next few weeks whether the State of Michigan is going to assess additional financial penalties or jerk its contract due to food shortages, maggots in some of the prison kitchens and employee turnover due to smuggling contraband and engaging in sex acts with inmates during the first eight months of operation.

Aramark has already been fined \$98,000 for various contract violations.

The company displaced about 370 state workers when it took over food operations in the Department of Corrections prison system.

STATE EXPLORES PLACING OLDER PRISONERS IN NURSING HOMES

As a possible cost-savings move, the state is considering a pilot project that would place some of its most aged prisoners into a privately run nursing home.

Included in the FY 2015 budget is a provision that the Department of Corrections (DOC) and two other state agencies seek information for a contract to provide beds in a skilled nursing facility for the placement of geriatric and medically fragile inmates who are eligible for Medicaid reimbursement.

The DOC has already issued a request for information (RFI).

According the DOC, 20 percent of the state's roughly 43,000 prisoners are 50 or older.

According to House Appropriations Committee Chair Joe Haveman (R-Holland) the pilot project would only have 50 to 100 people in it.

POLITICS & POLLS

Dillard to seek SOS nomination. Abandoning a short-lived bid for Attorney General, civil rights attorney Godfrey Dillard has announced he will seek the Democratic nomination for Attorney General. Making the switch, removes a potentially nasty fight for the AG nomination against the now likely AG nominee Mark Totten.

Bernstein seeks Supreme Court spot. Attorney Richard Bernstein has announced his bid for one of the Democratic nominations for state Supreme Court. Bernstein, who was born legally blind, said he would bring to the court a person who is "blind to special interests, blind to political ideology and blind to self-interest."

M & M BRIEFS

Minimum wage advocates toss in the towel. After the State Board of Canvassers declined to certify their \$10.10 per hour minimum wage initiative for the November ballot, Raise Michigan has decided it will not pursue any legal challenge to place the issue before the voters. A Raise Michigan spokesperson said in a statement, "We have determined that our efforts to ensure that everyone who works full-time makes a decent wage are better fought outside the courtroom."

Arwood moves to MEDC. Steve Arwood, chief regulatory officer and director of Licensing and Regulatory Affairs (LARA) will become chief operating officer at the Michigan Economic Development Corporation (MEDC), where he will focus on maximizing improvements and efficiencies to economic development programs, according to Gov. Rick Snyder. LARA chief deputy Mike Zimmer will serve as acting director and chief regulatory officer of LARA.

Former Blanchard lobbyist dies. Stan Fedewa, who served as top lobbyist to former Governor James Blanchard, has died. Fedewa also served as Majority Executive Secretary to former House Speaker William Ryan, chief of staff for former House Speaker Bobby Crim and legislative liaison while Blanchard was in Congress.

CALENDAR OF IMPORTANT EVENTS

- Sept. 1 LABOR DAY (State offices are closed)
- Sept. 9 House and Senate begin fall session