

# CAPITOL NEWS UPDATE

WEEK OF MAY 3, 2013

*Individual Attention. Precision Strategy. Proven Results.*



## **NO-FAULT REFORM MOVES TO THE FULL HOUSE**

On a party-line vote, the House Insurance Committee Thursday moved to the House floor legislation (HB 4612) that would cap at \$1 million the state's current unlimited life-time medical coverage for catastrophically injured car accident victims. The vote came after the committee heard more than 8 hours of testimony. Supporters of the bill, including Michigan's Insurance Commissioner, agents from around the state, and anti-fraud experts all said the bill was necessary to save Michigan's No-Fault system. The \$1 Million cap would still be 20 times higher than any other state.

Under amendments adopted before the bill was reported out of committee, health benefits currently collected by the catastrophically injured would not be limited.

The measure also clarifies that there would be no 16-hour cap on non-relative care provided to victims – either currently or in the future – and 24-hour care would be provided if needed.

Although the bill moved from committee, its chair, Rep. Pete Lund (R-Shelby Twp.) conceded he expects an uphill climb in the full House where several Oakland County Republicans oppose altering the system.

## **TRUANCY, DRUG TESTING LINKED TO WELFARE**

Legislation (HBs 4118 and 4388) aimed to ensure individuals on welfare aren't using drugs and their children are showing up for school has passed the House and headed to the Senate.

The legislation would establish a pilot program, through which individuals who tested positive for illegal drugs would be referred to a substance abuse coordination agency and if tested positive again would lose their benefits. The legislation also would codify state efforts to ensure children of welfare recipients are not repeatedly missing school.

If the children are truant, the families could risk losing their cash assistance under the measures.

## **HOUSE PASSES 2014 BUDGET PLAN**

On basically party line votes, the Republican-led House has passed a \$48.9 billion spending plan for FY 2014 -- about \$2 billion less than Gov. Rick Snyder proposed. The biggest differences are Snyder's call for \$1.2 billion in additional funding for transportation and another \$1.5 billion in federal funding to expand Medicaid. They did not make the two House budgets; the \$15 billion omnibus education funding bill and the \$33.9 billion omnibus general government bill.

The Senate has passed seven departmental budgets predicated on Medicaid expansion and new road funding dollars not passing. What could be interpreted as a test vote on Medicaid expansion, the Senate voted to strip \$103 million from the General Government budget – money that would have gone to Snyder's special Medicaid savings account.

All this in preparation for the Revenue Estimating Conference to be held later this month when the Legislature will get final revenue projections from the Department of Treasury and the House and Senate Fiscal Agencies.

The Legislature hopes to have the budget completed by June 1.

### **BOLGER BOUNCES DEMS FROM NINE COMMITTEES, THEN REVERSES**

House Speaker Jase Bolger (R-Marshall) bounced eight Democrats off nine House committees effective this past Wednesday but then returned them to their positions quickly ending what was a public verbal dustup between he and House Minority Leader Tim Greimel (D-Auburn Hills). Bolger's action came in response to an earlier call by Greimel for the removal of five Republicans from the Insurance Committee after they allegedly left last week's no-fault insurance reform hearing early.

However, after what was described as "good conversations" between the two later in the day, the pair claimed to have put the issue behind them and to "move forward" to deal with unresolved public policy issues.

House Democrats who lost and then regained their positions are Reps. Doug Geiss (D-Taylor) and Jim Ananich (D-Flint) who lost spots on Agriculture; Stacy Irwin Oakes (D-Saginaw) on Commerce and Criminal Justice; Rudy Hobbs (D-Lathrop Village) and Marilyn Lane (D-Fraser) on Energy and Technology; Woodrow Stanley (D-Flint) on Local Government; Harold Haugh (D-Roseville) on Tax Policy; and Kate Segal (D-Battle Creek) on Health Policy.

Bolger has asked committee chairs to stop granting excuses for committee members as per custom, preferring that they use their discretion and only grant excuses to those who have made contact with them prior to the committee meeting.

### **"SKUNK WORKS" IS RAISING A STINK**

A series of clandestine, autonomous non-government meetings dubbed "Skunk Works" after a Lockheed Martin process used to develop its advanced warplanes is raising objections.

The meetings, according to Michigan's Chief Information Officer David Behen, are designed to use technology to launch a new set of "value schools" that could possibly run for about \$2,200 less per student than the state average of about \$7,200 per student.

No education representatives have been involved in the meetings triggering concerns that there is more to the plan that technology including a possible "voucher system."

As a result, the Gov. Rick Snyder administration has taken control with State Superintendent Mike Flanagan announcing he would lead workgroup looking into ideas from the once-secret so-called Skunk Works group.

The Flanagan-led group will be all-inclusive with business representatives, K-12 education stakeholders and the State Board of Education and will focus on technology. However, Flanagan made his move without having talked with Board of Education members.

Flanagan's ground rules for the group: no discussion of vouchers, operate in a transparent manner and "require any savings that may be realized from the use of technology to be reinvested back into the schools."

### **POLITICS AND POLLS**

Poll: Majority support Medicaid expansion. Sixty percent of Michigan voters back expanding Medicaid, according to recent poll conducted by EPIC-MRA. And the number jumps to 74 percent if personal responsibility reforms are included in the legislation. The most popular reform among those included in the poll was requiring people who would gain insurance under the expansion to pay 'co-pays' for prescription medica-

tions and other medical services just like insured workers in the private and public sectors are required to pay co-pays for their insurance. That received 79 percent support.

No surprise, Peters announces. It wasn't a surprise, but now it is official. U.S. Rep. Gary Peters (D-Bloomfield Twp.) on Wednesday announced he would run for the U.S. Senate seat being vacated by U.S. Sen. Carl Levin (D-Detroit) at the end of his current term. In making his announcement Peters described his approach as "independent." Even before his announcement he had received the support of the entire Michigan Senate Democratic caucus and many of the House Dem caucus.

Will Bing give it another go? Detroit Mayor Dave Bing, who has been noncommittal about whether he would seek re-election, this week picked up the petitions he would need to start the re-election process, but stopped short of saying he would run – only commenting that it was a big decision.

From "remote" to "no." Cross Lansing Mayor Virg Bernero's name off the list of possible Democratic contenders for Governor in 2014. "I will not run for governor," Bernero said this week, moving his chances were remote statement of six weeks ago to a solid no.

## **M M & A BRIEFS**

Supremes: Gaveling through IE votes okay. By deciding not to get involved in the House dispute over Immediate Effect (IE) the Michigan Supreme Court has issued an order denying a group of current and former House Democrats' request that the high court hear their challenge to a Court of Appeals (COA) ruling that House Republicans could continue using a "quick gavel" to give legislation immediate effect. The COA ruled it was not the court's business to question House rules. The Supreme Court said it was not persuaded that the question presented should be reviewed by the high court.

Supreme Court turns back AG request. The Michigan Supreme Court has said "no" to Attorney General Bill Schuette's request for an appeal regarding domestic partner benefits saying it was "not persuaded that the question presented should be reviewed by the Court" – the standard language. The Civil Service Commission (CSC) in 2011 decided to extend health benefits to some eligible, unrelated co-residents of state employees, a move upheld by the Court of Appeals (COA) in a split decision.

Wolf hunting bill goes to Governor. With House passage on Thursday, legislation (SB 0288) that would protect hunting as a way of managing wolves in the Upper Peninsula is on its way to Gov. Rick Snyder's desk. The measure would give the Natural Resources Commission (NRC) the ability to designate a species as a game species and to establish the first hunting season for designated species. Currently, that ability belongs only to the Legislature.

Pick me up and smoke me sometime? Rep. Jeff Irwin (D-Ann Arbor) is preparing legislation that would decriminalize possession of small amounts of marijuana. The bill would put in statute that personal possession of less than one ounce of marijuana is a civil infraction rather than a misdemeanor. Irwin argues that small amounts of marijuana should be treated more like alcohol and that government is spending too much money policing it.

Senate votes to hold line on BAC level. The Senate vote unanimously to hold the state's blood-alcohol content (BAC) limit for drivers at 0.08. The measures (HBs 4131 and 4093) now go to Gov. Rick Snyder who is expected to sign them into law. Without legislative action, the limit would move back up to 0.10 in October.

## **CALENDAR OF IMPORTANT EVENTS**

May 8            Rep. Jim Stamas (R-Midland) Happy Hour  
Location: Michaels, Lansing