



WEEKLY LEGISLATIVE REPORT

March 26, 2010

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Please route to all interested parties in your township.

LEGISLATURE HEADS INTO BREAK WITH A FLURRY OF BUDGET ACTIVITY

The Michigan Legislature spent some extra hours in session this week to approve budget bills (for next fiscal year) in the first house before beginning their spring break. Among the bills gaining House approval was the general government budget (HB 5880), which restored earlier attempts made in the House Appropriations General Government Subcommittee to cut statutory revenue sharing by 3.1%. The House restored the cuts and increased revenue sharing by 1% over the governor's recommended freeze by identifying a variety of tax loophole reforms that would have to be acted on. The Michigan State Police budget bill (HB 5888) was also approved and included a 3% cut across all law enforcement areas of the budget but includes funding for secondary road patrols (performed by county sheriffs) and restored funding for the State Police Post in the city of Detroit. The DELEG Budget (HB 5884), which contains funding for a variety of programs in the Bureau of Fire Services, barely gained approval in the House. The House version of the bill differs from the governor's budget recommendation as it ties funding for firefighter inspection and training services and Fire Protection Grants (for local governments that provide fire protection and emergency services to state universities and prisons) to the sale of fireworks that are currently illegal. Although there is no legislation introduced to change the current fireworks laws, there are some in the works that establish a new tax on the fireworks. MTA understands these fireworks sales would be restricted to "bricks and mortar" businesses and would not be sold in temporary tents around the July 4 holiday. All of these budget bills now move to the Senate. The House and Senate both adjourned for their two-week spring break on Thursday, March 25. They will return to session on April 13.

HOUSE REPUBLICANS RELEASE BUDGET REPORT

The minority caucus in the Michigan House released a report this week titled, "A Comprehensive Solution Without Raising Taxes," to outline their budget priorities. The House Republicans unveiled the 35-page budget cutting report just as individual appropriations bills were gaining first-house approvals. The report proposes a 10% cut in statutory revenue sharing payments to local governments, including county revenue sharing. Deep in the report are some local government reform ideas, including state financial incentives for merging emergency service departments, plans to fix the Urban Cooperation Act to eliminate hurdles to cooperation in the law and to allow local governments more savings when merging departments. The House Republican report also follows the Senate's lead in attempting to revise PA 312 (Binding Arbitration) to ensure communities can afford contracts imposed on them. The report also awkwardly calls for expanding the authority of the State Boundary Commission to "study and make recommendations of consolidation of townships and villages with less than 3000 residents." MTA believes the proposal has significant flaws, including how it attempts to decrease property taxes for residents. MTA has communicated with the House Republicans that their consolidation idea also erroneously anticipates revenue sharing savings for the state and other cost savings. No legislative action is pending on the report.

REGISTER FOR MTA CAPITOL CONFERENCE BEING HELD WEDNESDAY, APRIL 21

The MTA Capitol Conference is fast approaching but there is still time to register and receive the early discount rate. The conference will be held Wednesday, April 21 at the Radisson Hotel in downtown Lansing. It is a perfect opportunity to meet with your legislators and to learn more about key legislative issues impacting your township including: government reform proposals, state changes to the assessing process, the 2010 election and state health care reform to mention a few. Register by Wednesday, March 31 to receive the early-bird discount. For more information, or to register, call us at (517) 321-6467 or go to www.michigantownships.org/capitolconf.asp.

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