



WEEKLY LEGISLATIVE REPORT

February 12, 2010

MTA Phone: 517-321-6467 MTA Fax: 517-321-8908

MTA Web site: www.michigantownships.org

Please route to all interested parties in your township.

GOVERNOR PRESENTS STATE BUDGET FOR NEXT FISCAL YEAR

Gov. Granholm on Thursday delivered a significant portion of her own budget proposal for the 2011 state fiscal year to a joint meeting of the House and Senate Appropriations Committee. Alongside the governor was State Budget Director Bob Emerson, who typically handles the budget roll-out duties. It was the governor's eighth and final budget proposal, due to term limits. Her budget has some significant changes including a plan to lower the sales and use tax from 6% to 5.5% but expanding the base of goods and services to which the tax applies. MTA was pleased to hear State Treasurer Robert Kleine comment during the presentation that the sales tax proposal would not have a negative effect on revenue sharing. Kleine was responding to a question raised by Rep. Darwin Booher (R-Osceola Twp.) about whether the plan would cause a 12.5% hit to constitutional revenue sharing. MTA is working to find language of the proposal to verify that it doesn't undermine revenue currently dedicated to revenue sharing in the constitution. The proposed budget would also keep overall revenue sharing funding next year at the current year level, even if sales tax collections decline due to the economy. Further, the budget proposal includes the elimination of the Michigan Business Tax (MBT) surcharge by 2012, \$140 million in corrections reforms that will reduce prisoner population numbers and allow for the closure of up to five additional prisons and maintaining current Michigan State Police trooper strength. The governor is also asking for the Legislature to complete the budget each year by July 1 or be subject to cuts in their wages and endorsed a two-year budget cycle for the state. She also warned that she would veto any cuts to K-12 or higher education.

SENATE REFORMS: ALL SHOW—NO DOUGH

The Senate voted this week on the first three bills of the Senate Republican plan to reform local government operations. SB 1072, which amends PA 312, binding arbitration for public safety employees, was adopted by the Senate along with SBs 1085 and 1086, which amend the Transfer of Functions and Responsibility Act and the Urban Cooperation Act. The bills were watered down to such a point that the bills that were supposed to assist local governments in controlling employee costs ended up passing without opposition from the labor organizations and without support from local governments. In fact, the only substantial change that occurred within the legislation was to expand binding arbitration into independent public safety authorities. It is MTA's position that this change will actually increase costs to authorities created in township areas, which may also work as a deterrent to the future creation of authorities to provide police, fire or EMS services in townships. The legislation now moves to the House for consideration.

SENATE COMMITTEE MOVES FORWARD ON MILITARY/OVERSEAS VOTER BILL PACKAGE

The Senate Campaign & Election Oversight Committee reported to the Senate floor a series of bills that would make it easier for military and overseas voters to participate in the election process by allowing clerks to send them electronic voter registration applications and absentee voter (AV) ballot applications and ballots (HB 5279 and SB 721). The voter would then return the AV ballot by U.S. mail to the appropriate clerk. In addition, three bills (HB 5530, SBs 1094 and 1096) were reported from committee that would require AV ballots be delivered to the county clerk at least 47 days and to local clerks at least 45 days before any election. This stipulation will give clerks additional time to get AV ballots out to military and overseas voters for all elections. Legislation (HB 5560 and SB 1095) was also moved forward to standardize the filing deadline in all local elections to the twelfth Tuesday before the primary and general elections. The full Senate is expected to vote on the package once the House and Senate leaders decide on which bills will be sent to the governor. The entire bill package is an effort to address the timeliness of military and overseas AV ballots being returned to clerks on or before Election Day and mirrors legislation that recently passed Congress pertaining to how the process would work for all federal offices.

END