



WEEKLY LEGISLATIVE REPORT

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Please route to all interested parties in your township.

SENATE COMMITTEE REPORTS HEALTH CARE REFORM LEGISLATION

The Senate Reform and Restructuring Committee reported legislation that caps the amount that the state or any local government can pay toward employee health care. Originally, SB 1046 simply stated that the public employer could not pay more than 80% of the cost of the health insurance plan of the employee. Employee copayments and deductibles do not count toward the employee share of the costs. The committee amended the legislation in such a way that each governmental unit must calculate the average cost of providing health insurance and then it can pay no more than 80% of that average for any employee. This might mean that employees with single coverage may not need to pay any premium copayment, whereas someone with family coverage may be required to pay 50% or more of the cost of the insurance plan. Once the cap is calculated, it can only increase from year to year by the general rate of inflation. The bill passed out of committee on a strictly partisan vote.

SENATE PASSES "EARLY RETIREMENT" BILLS TO HELP PLUG BUDGET HOLE

On Wednesday, the full Senate passed revised legislation to encourage early retirement for eligible teachers and state employees. The measure is expected to save \$225 million in the FY 2011 budget if it becomes law. SB 1226, introduced by Sen. Mark Jansen (R-Gaines Chtr. Twp.), pertains to state employees, while SB 1227, introduced by Sen. Jud Gilbert (R-Clay Twp.), applies to teachers. The idea was originally suggested by Gov. Jennifer Granholm in her budget message earlier in the year. However, the revised Senate version is somewhat different than either the governor's or the Senate Republicans' earlier plan. It maintains dental and vision coverage for retirees and removes the 30-year cap on benefits but does contain a provision to require employees to make a 3% contribution. The bills passed primarily along party lines with Republicans in support (except Sen. Roger Kahn) and Democrats in opposition (except Sen. Mickey Switalski). The bills' fate in the House remains uncertain at this point in time.

HOUSE COMMITTEE LOOKS AT CHANGES TO TERM LIMITS

Also on Wednesday, the House Judiciary Committee began looking at two House Joint Resolutions (HJRs) to change the state constitution pertaining to term limits. HJR XX, introduced by Rep. Mark Meadows (D-East Lansing), would allow House and Senate members to serve 12 years total in each chamber. The resolution would also change the length of terms in the Senate to six years and in the House to four years and create staggered terms so that roughly one-third of the Senate, and one-half of the House, would be up for election every two years. HJR OO, introduced by Rep. Tim Bledsoe (D-Grosse Pointe), would allow a legislator to serve a combined total of 14 years in the House and Senate. The resolution would also require the Legislature to present to the governor and the governor to sign all appropriation bills for the succeeding fiscal year on or before July 1 of each year. It further stipulates that legislators, the governor and lieutenant governor would forfeit his or her salary for those days that the bills were late or not signed respectively. The committee is expected to continue working on both concepts. MTA has been very supportive of extending term limits and will be monitoring the situation as discussion ensues.

CONGRESSMAN STUPAK RETIREMENT OPENS UP POSSIBILITIES IN BOTH PARTIES

In a surprise decision this past weekend, Congressman Bart Stupak (D-Menominee) of Michigan's 1st congressional district announced that he will not be seeking another term in November. That decision has opened up the floodgates with potential candidates on both sides of the aisle. Among the more likely current and former legislators looking at the position are Democrats Rep. Joel Sheltrown (already announced), Rep. Gary McDowell and former Rep. Pat Gagliardi. Republicans in the mix seem to be Sen. Jason Allen and former Rep. Tom Casperson. Several other sitting legislators including leaders Sen. Mike Prusi and Rep. Kevin Elsenheimer have already taken themselves out of consideration.

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