



WEEKLY LEGISLATIVE REPORT

June 5, 2009

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Please route to all interested parties in your township.

MOST AGRICULTURE CUTS RESTORED; THINGS LOOK BLEAK FOR 2010 BUDGET

Both the House and Senate have approved a series of supplemental appropriation bills and transfers to restore some of the earlier executive order cuts, including most of the agricultural cuts mentioned last week in the *Legislative Report*. Monies were restored, using sources other than general fund revenues, to preserve the Right to Farm inspection program and the Michigan Agriculture Environmental Assurance Program (MAEAP). The action averted layoffs from both programs scheduled for today. Partial funding was also restored for the Michigan Department of Agriculture to continue inspections of migrant housing units, enabling Michigan to compete with other states for migrant laborers. Meanwhile, things look bleak for the 2010 fiscal year budget as the House is looking to pare back approximately \$525 million, including huge cuts to statutory revenue sharing, under preliminary budget spending targets. Republicans in the Senate are nearing finalization of a proposal to call for additional cutbacks in the range of 15% overall or \$1.3 billion.

SENATE COMMITTEE REPORTS FAVORABLE POLICE DEFINITION BILL

The Senate Homeland Security and Emerging Technologies Committee reported legislation this week to reduce the required number of hours worked per year from 520 to 120 for police officers. The vote was 5-0 in favor. Sens. Garcia (R-Marion Twp.) and Richardville (R-Frenchtown Chtr. Twp.) were present and did not vote on the bill. SB 449, introduced by Sen. Cameron Brown (R-Fawn River Twp.), addresses concerns expressed over efforts by the Michigan Council on Law Enforcement Standards (MCOLES) to adopt a rule stating that police officers must work a minimum of 520 hours a year to be considered "regularly employed" and thus maintain their certification. The action by MCOLES raised problems with the status of part-time officers utilized by many smaller communities.

WIND ENERGY BOARD RELEASES REPORT

The Wind Energy Resource Zone Board released its report (www.michigan.gov/windboard) earlier this week identifying four regions of the state best suited for wind energy development. The regions include certain townships within the following counties: Allegan, Antrim, Charlevoix, Benzie, Leelanau, Manistee, Bay, Huron, Saginaw, Sanilac and Tuscola. The areas identified have the potential to develop nearly 4,100 wind turbines and generate up to 17.8 million megawatts annually. Townships chosen within the 11 counties were based on wind energy potential, land availability and ability to access the transmission grid. Local governments have until 3 p.m. on Aug. 4 to submit comments concerning the report to the Michigan Public Service Commission (MPSC). The MPSC has scheduled two public hearings on Aug. 24 at 11 a.m. at the Huron County Expo Center in Bad Axe, and on Aug. 31 at 11 a.m. at West Shore Community College in Scottville to gather additional information. Then within 45 days, the board must issue a final report to the MPSC, which then must issue a final report designating one or more areas as a "wind energy resource zone."

HOUSE PROTECTS PA 116 FARM TAX ABATEMENT PROGRAM

The House Agriculture Committee reported legislation this week to protect farmers who install alternative energy devices on their property from losing the tax advantages provided by the PA 116 program. Without the change in law, it can be construed that a farmer who leases some land for the installation of wind turbines could be violating the provisions of the law that offer tax advantages for farmland under PA 116. HB 4887, offered by Rep. Jeff Mayes (D-Bangor Chtr. Twp.), specifies that installing alternative energy devices on the property will not disqualify the farm from PA 116. It was pointed out that since the main benefit is calculated based on household income compared to the amount of property taxes that are paid, the extra income derived from leasing land for a wind turbine may result in a reduction in any income tax refunds that are received under the program, but only to a minor extent compared to the additional income that is derived.

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