



WEEKLY LEGISLATIVE REPORT

July 17, 2009

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Please route to all interested parties in your township

SPEAKER'S PLAN CHANGES TOWNSHIP HEALTH CARE INSURANCE

Speaker of the House Andy Dillon (D-Redford Chtr. Twp.) proposed a concept this week that would move all public employees and retirees within the state into a single health insurance plan administered by the state. The objective of the proposal is to lower overall costs and set standards for employee contributions and copayments for health insurance. The announcement this week did not include specific legislation; instead it was offered more in the form of general discussion. A workgroup is expected to try to convert the concept into specific legislation; MTA has asked to be a member of the workgroup. Among the issues that remain unclear: would this be one standardized plan for every government employee in the state? Would townships that don't currently offer health insurance be required to participate in the plan? What happens in situations if the new plan costs more than the existing insurance that is being offered by a township? As with all major concepts, the devil is in the details. MTA will keep member townships abreast of any new information on this health care plan.

JUNE REVENUE NUMBERS NOT HELPING STATE BUDGET

Earlier this week revenue collections from state taxes collected in June were announced and are down 16.2% as compared to June 2008 collections. The reduction causes an additional shortfall of \$120 million for the state budget. For the current fiscal year, the state has collected 13.4% less in taxes than it did in 2008. As a part of overall collections, sales tax collections were also down in June, 8.3% compared to a year ago and down 9.4% for the year. These latest revenue collections will have to be factored in for the remainder of the current fiscal year, which ends on Sept. 30, 2009. Legislators will also have to consider the ongoing monthly reductions as they put final appropriations together for the 2010 fiscal year budget over the remainder of the summer.

HOUSE COMMITTEE MOVES BILL TO CHANGE FROST LAW FOR UTILITY COMPANIES

The House Energy and Technology Committee this week approved HB 4999, a bill to amend the current "Frost Law," to allow subcontractors of public utility companies to receive an exemption when weight restrictions are in place during the spring. The Michigan Vehicle Code currently allows county road commissions to implement weight restrictions on roads during the thaw period in spring when the frost first comes out of the ground, leaving roads vulnerable to damage. The current law also allows public utility companies to be exempt from this "Frost Law" in emergency situations. The bill would expand the exemption to allow for non-emergency work to be performed by either a public utility or its subcontractors. Rep. Jeff Mayes (D-Bangor Chtr. Twp.) is the sponsor of HB 4999 and also serves as chairman of the House Energy and Technology Committee.

DON'T MISS THE ENERGY GRANT WORKSHOPS TAKING PLACE NEXT WEEK

The Michigan Department of Energy, Labor and Economic Growth (DELEG) and MTA are working together to conduct workshops to inform local government entities on how to apply for Energy Efficiency and Conservation Block Grant (EECBG) funding under the American Recovery and Reinvestment Act. Workshops will be held on Monday, July 20 in Escanaba at the Escanaba City Council Chambers from 9:00 a.m. - 2:30 p.m.; Tuesday, July 21 in Gaylord at the Treetops Resort from 9 a.m. - 2:30 p.m.; Wednesday, July 22 in Grand Rapids at the Eberhard Center (GVSU) from 9 a.m. - 1 p.m.; and on Thursday, July 23 in Pontiac at the Oakland County Commissioners Auditorium from 9 a.m. - 2:30 p.m. In addition, a Webcast will be held on Tuesday, July 28 from 9 a.m. to noon for those unable to attend one of the earlier sessions. Additional information and registration details are available at www.michigan.gov/energyoffice. MTA strongly encourages those townships that are non-entitlement communities (less than 35,000 in population) interested in receiving federal energy grants to participate in one of these sessions.

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