



WEEKLY LEGISLATIVE REPORT

October 16, 2009

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Please route to all interested parties in your township.

SENATE TO FORWARD FINAL BUDGET BILLS TO GOVERNOR GRANHOLM

Following a meeting this week between Senate Majority Leader Mike Bishop and Gov. Jennifer Granholm, Sen. Bishop said that he would be sending the remaining budget bills to the governor for approval. One of those budget bills is the General Government budget, which contains a cut of 11.06 percent to revenue sharing. Senate Republicans had been holding the General Government and five other budget bills in a procedural move to continue budget discussions before the governor would have an opportunity to veto the bills or veto line items within the budget bills. Senate Republicans remain cool to most revenue enhancement ideas, whereas the governor and most House Democrats have called for additional revenues to fund key programs like revenue sharing, Medicaid and the Promise Grant scholarships. Whether additional revenues can be agreed upon, or if the governor will use the Administrative Board process to transfer money to key priorities is yet to be seen.

COMMISSION CALLS FOR LOCAL GOVERNMENT/SCHOOL DISTRICT CONSOLIDATION

On Wednesday, members of the Legislative Commission on Government Efficiency met to approve its report to the Legislature. Recommendations include efforts by the state to encourage local government and school district consolidation. The chair of the commission expressed concern that "1,800 units of local government is too many." The commission's report is also recommending that the superintendent of public instruction be given the authority to require school district consolidations. The report further recommends that revenue sharing be tied to specific services that the state supports rather than being provided as general purpose funding. The report does express the need for the ability of local governments to be able to levy additional taxes to make up for reduced revenues from the state. Members also suggested that Michigan's tax structure needs to be revised to reflect the shift in our economy from a manufacturing-based to a service-based economy. The final written report, with dissenting opinions, is due by Nov. 2. The Legislature would then decide in what manner to react to the report. Obviously, MTA has concerns over some aspects of the report and will be following any legislative activity very closely.

COMMITTEE CONSIDERS ELECTRONIC BALLOTS FOR MILITARY AND OVERSEAS VOTERS

Earlier this week, the House Ethics and Elections Committee began consideration of legislation to allow local clerks the ability to provide electronic absentee voter (AV) ballots to members of the military and to overseas voters. HB 5279, introduced by Rep. Vincent Gregory (D-Southfield), would allow a county, city, village or township clerk to transmit an AV ballot to an applicant's electronic mail address and would have the secretary of state establish rules on how that ballot is returned to the county, city, village or township clerk. The legislation is an effort to address the timeliness of overseas AV ballots being returned to local clerks on or before Election Day to ensure the ballots are counted. Similar legislation is making its way through Congress that would provide for members of the armed services and overseas voters to choose whether to receive their ballot by regular mail or electronic mail for federal elections. Michigan Election Law will likely need changes to conform to the new federal requirements. HB 5279 will see changes before coming up for a committee vote next week.

CONSUMER PRICE INDEX TO CAUSE TAXABLE VALUE DECLINES

The number is final: the inflation factor that will be used to calculate taxable values and Headlee millage reduction factors next year will be negative for the first time in history. The CPI for the past 12 months is -0.3 percent. The taxable value on every piece of property must decline by a minimum of 0.3 percent when new assessments are calculated for the coming year. This of course excludes sales and new construction. Unlike last year when citizens asked why their taxes were going up when values were going down, now some property owners in our state will see their taxes go down when the value of their property is going up.

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