



This Week in Lansing

MHSA • Muchmore Harrington Smalley & Associates, LLC

Highlights of the Latest Major Legislative, Administrative and Regulatory Activity in the State Capitol

Volume MMXXIII – Issue 6
2023

February 10,

GOV WHITMER PRESENTS EXECUTIVE BUDGET RECOMMENDATION – Wednesday morning *Governor Gretchen Whitmer* presented her Executive Budget Recommendation for the upcoming Fiscal Year.

Why it matters: The *Governor* rolled out her executive budget recommendation which embraces an overarching theme of ensuring Michigan is a state where everyone can succeed. The release of the executive budget recommendation means legislative subcommittees will begin to meet and get the budget process into full swing.

To read more, please click [here](#).

GOV WHITMER, DEMOCRATS ANNOUNCE LOWERING MI COSTS – *Governor Gretchen Whitmer* and Legislative *Democratic* leaders announced their *Lowering MI Costs* proposal that aims to provide financial relief to all taxpayers.

The bigger picture: Since gaining a legislative majority, *Democrats* have consistently reaffirmed they will repeal the retirement tax, expand the working families tax credit (also known as the *Earned Income Tax Credit*), and give Michiganders relief amid high inflation. This new proposal addresses criticisms that the initial plan agreed upon favored public sector retirees with pensions and did not help the majority of workers.

To read more, please click [here](#).

LOWERING MI COSTS MOVES THROUGH HOUSE AFTER HITTING SPEED BUMP – After being announced on Monday, the *House* somewhat expeditiously, but not smoothly, passed the bill containing the *Lowering MI Costs* proposal.

The bigger picture: *Governor Gretchen Whitmer* and *Democratic* leadership announced the *Lowering MI Costs* proposal on Monday morning. The contents of the plan were incorporated into *House Bill 4001*, which was reported from a Conference Committee. The bill moved out of the conference committee but ran into issues when the legislature tried to pass it on the *House* floor. In dramatic fashion, the bill was eventually reported from the House only to stall out (again) in the Senate.

To read more, please click [here](#).

GOV WHITMER SIGNS EXECUTIVE ORDER – Governor Gretchen Whitmer signed an *Executive Order* this week that puts the *Michigan State Housing Development Authority (MSHDA)* in charge of more housing resources.

Why it matters: *MSHDA* provides financial and technical assistance through public and private partnerships to create and preserve safe and decent affordable housing, engage in community economic development activities, develop vibrant cities, towns and villages, and address homeless issues. *Executive Order 2023-1* works to allow more flexible funding to promote housing innovation and ensure the state can get funds out the door more quickly to build more housing faster.

To read more, please click [here](#).

ODDS AND ENDS

- After decades of no movement, the *Senate Civil Rights, Judiciary and Public Safety Committee* reported a bill that would amend the *Elliott-Larsen Civil Rights Act* to provide protections from discrimination based on someone’s gender identity or expression and sexual orientation. *Senate Bill 4* was reported 5-1 and now resides on the *Senate* floor.
- Governor Gretchen Whitmer signed an *Executive Directive* that aims to improve the state’s contracting process by increasing business opportunities for *Geographically Disadvantaged Business Enterprises (GDBEs)* to contract with the state. Under [Executive Directive 2023-1](#), the *Department of Technology, Management, and Budget (DTMB)* must set a goal that 20% of total expenditures from state departments and agencies go to *GDBEs* beginning in *Fiscal Year 2023-24*.
- The *Senate* passed legislation this week that would remove the retention provisions in the state’s third grade reading law. *Senate Bill 12* also provides additional supports and interventions for students who scored low on state tests and are found to be one grade level or more behind on reading. *Senate Bill 12* passed the Senate by a margin of 22 to 16.
- For the second time this session, a *Democratic* member in the *House* attended session after testing positive for COVID-19. *Representative Veronica Paiz (D-Harper Woods)* attended session and cast her votes from the gallery while wearing a mask on Wednesday. *House Speaker Joe Tate’s (D-Detroit)* spokesperson told reporters that the *Speaker* did not ask *Representative Paiz* to attend session.
- *House Minority Leader Matt Hall (R-Richland Township)* called for a research and development tax credit to incentivize businesses to bring high paying jobs to Michigan, instead of an investment in the *Strategic Outreach and Attraction Reserve (SOAR) Fund*. *Minority Leader Hall’s* \$500 million proposal hopes to replace the *Governor’s SOAR Fund* investment. *Minority Leader Hall* stated his proposal aims to provide businesses of all sizes with an opportunity for investment by the state.

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