



KELLEY CAWTHORNE

Prepared for the Fire Service Clients of Kelley Cawthorne

Legislative Update for October 7th through October 18th

Supplemental budget negotiations between Governor Gretchen Whitmer and republican legislative leaders hit another snag on the issue of executive use of the State Administrative Board to transfer funds within a department without legislative approval. Many republican legislators expressed that legislation scaling back the board's ability to unilaterally transfer funds would be needed before sending supplemental appropriations bills to the governor. Gov. Whitmer stated her opposition to any changes to executive authority, calling the State Administrative Board power an important part of the government's system of checks and balances. The events came after it previously appeared that progress was being made between the governor and legislative leaders. Republican leadership in both chambers introduced dozens of bills aimed at undoing many of the governor's line item vetoes. Meanwhile, Gov. Whitmer worked through democratic legislators in both chambers to introduce her version of a supplemental appropriations bill. The governor's proposal reflected some of her previously identified priorities that were not included in the enacted budget, such as funding for the Michigan Reconnect grant program, money for literacy coaches in elementary schools, and additional dollars for the Department of Health and Human Services. The governor's proposal was described as an "olive branch" by Senate sponsor Sen. Curtis Hertel (D-East Lansing), due to the inclusion of funding restoration for several of the governor's line item vetoes such as the autism navigator program, secondary road patrol grants, and a critical access hospital rate increase.

Legislation to block a controversial rule change by the Department of Licensing and Regulatory Affairs passed both chambers. The department sought to change regulations defining the scope of practice by licensed professional counselors, ultimately removing their ability to diagnose patients and offer psychotherapy. HB 4325, sponsored by Rep. Aaron Miller (R-Sturgis), would include those acts in the statutorily-defined scope of practice, thereby eliminating the purpose of the proposed rules. The legislation passed the House of Representatives 108-0 and the Senate 38-0.

A package of bills designed to end the current practice of automatically charging 17-year-olds as adults was moved to the Senate floor after stakeholder groups reached an agreement on funding issues. Bill packages to end the practice passed both chambers several months ago, but progress slowed after disagreements arose on how the change would be funded. The agreement gives 100% reimbursement to counties until 2025. The legislature would then re-evaluate the funding formula.

The House Health Policy Committee heard testimony on a bill package intended to prevent unexpected medical bills from out-of-network healthcare. HB 4459, HB 4460, HB 4990, and HB 4991, sponsored by Reps. Roger Hauck (R-Mt. Pleasant) and Frank Liberati (D-Allen Park), would



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prevent patients from being billed if they don't have the opportunity to choose a provider or determine if a provider is in network. The bills would also dictate the amount paid to healthcare providers in some situations. Opponents of the legislation argue that the rates included in the proposal are too low and that it fails to address many situations that cause surprise billings.

SB 492, sponsored by Sen. Ken Horn (R-Frankenmuth), received a hearing from the Senate Economic and Small Business Development Committee. The bill would eliminate the December 31, 2019 sunset on the Good Jobs for Michigan program. It would also remove the current cap of \$200 million on total incentives awarded through the program. The legislation received opposition from conservative groups who argued that tax incentives do not greatly impact a business's decision to open facilities in specific locations, but do have a large impact on the state's budget.

Gov. Whitmer signed HBs 4189, 4190, 4191, and 4446. The legislation gives Tenneco the ability to use tax credits originally given to Federal Mogul after the two companies merged. The bill package passed both chambers with near-unanimous support.

The House of Representatives unanimously passed legislation to ensure that online retailers remit sales and use tax to the state. HBs 4540, 4541, 4542, and 4543 codify the U.S. Supreme Court's *Wayfair* decision that allows a state to collect tax if a retailer establishes a nexus there.

The state Court of Claims issued a preliminary injunction against enforcement of the state's ban on flavored e-cigarette and vaping products. The court stated that the administration's use of emergency rules was likely inappropriate because the department had information on the underlying circumstances long before the rules were adopted. Gov. Whitmer has announced her intention to appeal the injunction to the Michigan Supreme Court.

Miscellaneous

The Senate quickly passed Rep. Millers legislation HB 4325 which would reverse a policy decision by LARA which would have prevented counselors from working with their patients. This legislation ensures that their scope of practices allows for diagnosis and treatment of psychotherapy. This legislation is important in the effort to help fire fighters work through any mental distress that may impact them. It is expected to be signed quickly.

Upcoming Committees:

There are no committees scheduled at this time.

Upcoming Events:

There are no events scheduled at this time.



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Bill Introductions:

- [HB 5051 of 2019](#) Labor; health and safety; provisions related to civil penalties; modify with respect to repeated violations and asbestos-related violations. Amends secs. 4, 35 & 36 of 1974 PA 154 (MCL 408.1004 et seq.).
- [HB 5052 of 2019](#) Health occupations; health professionals; military medic program; establish to allow for certain military personnel to perform actions under a health professional. Creates new act. TIE BAR WITH: HB 4023'19
- [HB 5083 of 2019](#) Appropriations; supplemental; polyfluoroalkyl substances (PFAS) for municipal airports; provide for. Creates appropriation act.
- [SB 0542 of 2019](#) Labor; hours and wages; minimum compensation amounts for exemption from overtime pay; specify for certain employees. Amends sec. 4a of 2018 PA 337 (MCL 408.934a).
- [SB 0549 of 2019](#) Appropriations; supplemental; polyfluoroalkyl substances (PFAS) for municipal airports; provide for. Creates appropriation act.

Bill Activity:

PASSED, ENROLLED or ADOPTED By the CHAMBER

- [HB 4325 of 2019](#) Health occupations; counselors; scope of practice for counselors; modify, and revise licensing requirements. Amends secs. 18101, 18107, 18111 & 18115 of 1978 PA 368 (MCL 333.18101 et seq.) & adds secs. 18106 & 18116.