

# Capitol Capsule



Michigan's Independent Source  
of News & Information

MIRS Capitol Capsule, Tuesday, July 25, 2023

## QUOTE OF THE DAY

***"There's a war going on in this industry. If people don't think there is, they're sorely mistaken."***

- Rep. Joe ARAGONA, describing today the restaurant industry, which he said is still reeling from COVID-era restrictions designed to slow down the spread of COVID-19.

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## GOP Senators Yes Votes On I.E. On Budget Received More Special Projects

Senate Republicans who participated in delivering the state budgets' immediate effect, altogether secured more than \$332 million in special project funding, according to a *MIRS* analysis of potential "pork" in the Fiscal Year (FY) 2024 budgets. [A spreadsheet breaking down all of the special spending can be found here.](#)

As for the chamber's 20-member Democratic majority, out of 38 seats, Democrats have collectively secured more than \$1.12 billion in special project funding between the two state budgets for education and state departments.

Following a review of the omnibus budget bill, 🐾 [HB 4437](#) , and the now-signed 🐾 [SB 173](#) for spending on preK-12 schools, community colleges and public universities, *MIRS* discovered more than \$2.06 billion was set aside for special projects, directly impacting a specific area or group of communities (See "[\\$2.06B In Special Projects Found In FY '24 Budget](#)," 7/24/2023).

When determining where the aforementioned appropriations were going, *MIRS* did not include project spending covering multiple legislative districts, like city-wide investments in Detroit or a combined \$1 million natural resources appropriation for Grand Haven, Holland and Warren Dunes State Parks.

In the Senate, where eight Republicans joined Democrats in providing the more than \$81 billion omnibus budget with immediate effect so dollars could be deployed before the end of 2023, the Senate Minority Leader [Aric NESBITT \(R-Lawton\)](#) will see \$154.9 million in omnibus spending directed to his district, Senate Appropriations Minority Vice Chair [Jon BUMSTEAD \(R-North Muskegon\)](#) will see \$31.6 million and Sen. [Mark HUIZENGA \(R-Walker\)](#) will see \$26.05 million designated for his West Michigan district.

Due to the current makeup of the Senate chamber, at least six Republicans must support granting legislation immediate effect in order for it to be enacted before lawmakers adjourn for the year. In the House, where the rule does not apply, Republicans secured more than \$206 million in special project spending between both 🐾 [HB 4437](#) and 🐾 [SB 173](#) .

As for senators with the most special project spending overall, Sen. [Stephanie CHANG \(D-Detroit\)](#) saw more than \$218.8 million designated for her district between the two budgets, especially with the Detroit Public Schools Community District (DPSCD) – which acquired at least \$99.4 million in district-wide funding – being headquartered in her district.

Nesbitt came in second with \$154.9 million, specifically after a \$150 million FY '23 supplemental from the General Fund was appropriated to his Southwest Michigan district to assist efforts to restart the Palisades nuclear power plant in Van Buren County.

"Senator Nesbitt has been clear from the beginning of this budget process that investment in long-term infrastructure should be a top priority for where the budget surplus should be spent. The Palisade nuclear plant, which is a reliable, baseload, zero-carbon energy source, is part of that valued, needed infrastructure, as it will play a large role in keeping our electric grid stable, and provide low-cost, reliable energy for Michigan families," said Jeff [WIGGINS](#), a spokesperson for Nesbitt and Senate Republicans.

Sen. [Kristen MCDONALD RIVET \(D-Bay City\)](#) followed Chang and Nesbitt, with \$125.3 million dedicated to her district, like a \$73 million federal grant, in the form of a FY '23 supplemental for repairing the 85-year-old Lafayette Avenue Bridge above the Saginaw River in Bay City.

When it comes to the senators who voted against both budget bills – Sens. [Lana THEIS \(R-Brighton\)](#), [Thomas ALBERT \(R-Lowell\)](#), [Michele HOITENGA \(R-Manton\)](#), [Jonathan LINDSEY \(R-Brooklyn\)](#), [Ruth JOHNSON \(R-Holly\)](#), [Kevin DALEY \(R-Lum\)](#) and [Jim RUNESTAD \(R-White Lake\)](#) – the seven legislators saw a total of \$28.17 million coming to their districts.

Theis' district is aligned to receive more than \$15 million, with items like a \$5 million General Fund appropriation for the Freedom River Veteran Recreational Center in Brighton, \$2 million to revitalize the Howell Opera Center in Livingston County and \$2 million to the Livingston County Catholic Charities.

When asked if certain money coming into a Republican's district is an indicator that the legislator advocated for it, Wiggins told *MIRS* the motive of the Senate Republican caucus "has always been to strengthen our roads, bridges, water and wastewater systems, as well as other types of infrastructure. Unfortunately, some of the projects in this budget don't fit that description."

"...They tend to come from the other side of the aisle. And to be clear, Sen. Nesbitt has consistently advocated to be transparent in the budget, especially when it comes to special projects. He called for Legislative Democrats to do just that

two weeks prior to the conference committee," Wiggins said.

In the House, representatives with the most money coming into their districts are: Rep. **Joey ANDREWS (D-St. Joseph)** with \$152 million, whose district also holds the Palisades nuclear power plant; Rep. **Mike MCFALL (D-Hazel Park)** with \$151.5 million, whose district additionally includes DPSCD's headquarters, and Republican Rep. **Timothy BESON (R-Bay City)** with the same \$73 million supplemental appropriation for the Lafayette Avenue Bridge.

"We decentralized decision-making by empowering our subcommittee chairs to own their budget areas and substantively contribute to the final budget. Our bipartisan budget was completed on time to provide local governments and school districts the certainty that they deserve," said the Senate Appropriations Chair **Sarah ANTHONY (D-Lansing)** in a comment to *MIRS*.

Anthony added earlier in her remarks to *MIRS* that the budget would cultivate transparency through requiring legislative sponsors of enhancement grants to identify themselves to the State Budget Office, and by "empowering each state department to perform due diligence before funds are spent."

As of today, the Governor has 13 days to sign the omnibus budget, which includes the aforementioned transparency protocols.

## HRCC Outraises Dems With \$1M For July Quarterly

The House Republican Campaign Committee (HRCC) raised more than \$1 million in total contributions from April 21 to July 20, surpassing its Democratic counterpart, which raised a caucus-record \$926,000 in the same timeframe.

As of today's campaign finance filing date for the July Quarterly, the Michigan House Democratic Fund has an ending balance of \$1.74 million to protect its majority and to compete for more seats in 2024, after raising \$2.23 million total in 2023.

The \$1.74 million cash is nearly double what was reported at this time in 2021.

But it was still behind HRCC, which recorded \$2.3 million in cash on hand after accepting more than \$2.26 million in contributions this year.

Earlier this summer, it was announced that former Gov. Rick **SNYDER** and one of his past major contributors, bio-pharmaceutical business owner William **PARFET**, will be leading the HRCC's fundraising efforts going into the 2024 election cycle (See "**Snyder, Parfet To Lead House Republican Fundraising Efforts**," 6/5/2023).

Near the end of June, Parfet contributed \$25,000 to the HRCC, and Snyder donated \$10,000 on July 19.

"In the latest quarter, we received support from long-time allies, welcomed people supporting our caucus for the first time, and even earned support from some who have backed Democrats in the past," said House Minority Leader **Matt HALL (R-Kalamazoo)** in a HRCC press release. "People with diverse views are uniting behind House Republicans because Michigan can't afford two more years of unchecked Democrat rule over our state."

HRCC has published that the \$1,000,747.36 raised by the committee this year "surpasses the haul of any majority or minority caucus in the equivalent quarter in past cycles."

For the 2022 election cycle, the Michigan House Democratic Fund raised more than \$4.8 million overall while House Republicans acquired more than \$4.65 million in contributions to their committee.

"Our message is clear: The Michigan House Democrats are strong, and our momentum is only growing. We are willing to put in the work it will take to protect and expand our majority next year," said House Speaker **Joe TATE (D-Detroit)**.

As for the recent July Quarterly, the House Democratic Fund spent significantly more than its Republican counterpart, with more than \$447,975 in total expenditures from April 21 to July 20. Meanwhile, the HRCC had \$47,189.49 in total expenditures for the campaign finance quarter.

The Michigan Senate Democratic Fund raised more than \$623,078 during the July Quarterly and has \$571,645 in cash on hand. The Senate Republican Campaign Committee raised more than \$673,905 during the July Quarterly and has more than \$1.18 million in cash on hand.

## Hall Highest Earner But House Dems Hold Next 10 Spots

Among those House incumbents who won with less than 60% of the vote in 2022, House Minority Leader **Matt HALL (R-Kalamazoo)** raised the most in the first half of 2023 with \$125,200, but the next 10 largest fundraisers were Democratic incumbents, according to campaign finance reports released today by the Secretary of State.

Hall, who represents a lean-Republican district in Kalamazoo County, spent \$42,448 during the Nov. 29-July 20 reporting period. He reported \$125,562 in debt, and \$109,729 cash on hand. [The MIRS spreadsheet tracking specific House members and potential 2024 opponents can be found here.](#)

Hall outraised all the key Democratic incumbents in competitive districts, but he was the only Republican to do so.

House Appropriations Chair Angela **WITWER (D-Delta Twp.)** reported \$108,522 raised this period. She spent \$63,187 this quarter, and reported \$651 in debt, with a total \$70,336 cash on hand.

Freshman Rep. **Betsy COFFIA (D-Traverse City)** was the third-highest earner, reporting \$84,668 raised this period and \$85,337 raised this election cycle.

Coffia spent \$12,770 in this period and reported no debt, with \$73,297 cash on hand.

Reps. **Carol GLANVILLE (D-Grand Rapids)**, **Jaime CHURCHES (D-Wyandotte)**, **Jim HAADSMA (D-Battle Creek)**, **Nate SHANNON (D-Sterling Heights)**, **Joey ANDREWS (D-St. Joseph)**, **Reggie MILLER (D-Belleville)**, **John FITZGERALD (D-Wyoming)** and **Jenn HILL (D-Marquette)** all raised over \$60,000 this period and reported over \$40,000 cash on hand.

Only Fitzgerald reported debt, a total of \$10,000.

The next highest-earning Republican was Rep. **Greg VANWOERKOM (R-Norton Shores)**, who reported \$53,325 raised this period, of \$54,025 in total this election cycle.

With \$10,000 in debt and \$6,147 in expenses this period, VanWoerkom reported \$54,764 cash on hand.

*MIRS* also analyzed challengers in these competitive districts, and found 54th District Democrat Shadia **MARTINI** was the highest-raising challenger with \$30,396 this period.

Martini reported \$20,000 in debt and \$36,451 cash on hand.

She outraised Republican **Donni STEELE (R-Lake Orion)**, who reported \$20,174 both this period and election cycle, with \$41,820 in expenses this period and \$12,500 in debt, with \$27,403 cash on hand.

A full spreadsheet of findings can also be found below:





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## Ad Targets 6 Republicans For 'No' Votes On Education Budget

Six House Republicans representing politically competitive districts are being targeted for voting against the education omnibus spending bill for Fiscal Year (FY) 2024 in a new [online Michigan Democratic Party-funded ad](#).

Roughly 100,000 Michiganders Facebook and Instagram users in the districts represented by Reps. [James DESANA \(R-Carleton\)](#), [Kathy SCHMALTZ \(R-Jackson\)](#), [Donni STEELE \(R-Lake Orion\)](#), [Tom KUHN \(R-Troy\)](#), [Alicia ST. GERMAINE \(R-Harrison Township\)](#) and [David MARTIN \(R-Davison\)](#) are slated to see the ad. A sample of the individualized ad reads "Free School Lunch For All In Michigan. Rep. Jim DeSana voted no. Hold Rep. DeSana Accountable."

The ad takes users to a landing page, where they are able to write their House members on why they opposed the new universal school lunch and breakfast program.

"Make no mistake, these representatives voted against providing food for children across our state and voters have a right to know that," said Michigan Democratic Party Chair Lavora **BARNES**. "By voting against these measures they have made it clear that they prefer to put politics ahead of cutting costs for Michigan families. These ads are just one of the many ways we plan to hold them accountable for their extremism."

In his no-vote explanation to [SB 173](#), otherwise known as the "School Bus," Kuhn said he voted against both omnibus budget bills because he received the conference reports minutes before voting.

"I refused to participate in this charade," Kuhn said. "There was no time for any review, let alone for due diligence or critical analysis. The majority just offered their hollow, school-year excuse for their lack of transparency."

"This is a broken system and utterly undeserving of Michigan taxpayers."

The only House Republicans to vote for the School Bus were Rep. [Graham FILLER \(R-St. Johns\)](#) and Rep. [Mark TISDEL \(R-Rochester Hills\)](#).

This is at least the MDP's second ad buy against select House Republicans in politically competitive districts. The first was last month regarding opposition to gun reform legislation (See "[D's Planting Seeds' On Early Gun Safety Ads](#)," 6/7/23).

DeSana said he voted no on both budget bills because majority Democrats took out prohibitions against vaccine mandates. He said he's opposed to having to declare your vaccination status. He, like Kuhn, objected to not having more than a few hours to read hundreds of budgetary spending.

He said he's also opposed to school resource officer funding being cut. At a time when the public is concerned about protecting students, cutting funding to officers inside the schools didn't make sense to him.

House Minority Leader **Matt HALL (R-Kalamazoo)** said the Democrats are counting on the income tax rate going back up to 4.25% in order to pay for the \$81 billion budget they passed last month.

"Democrats baked a tax hike into their budget to pay for pools, 'zen zones' and other pork projects in their own districts -- \$2 billion for pet projects and waste in the education budget that could have been an additional \$1,400 per student in every classroom," Hall said.

"Now Democrats are trying to cover their own tails by attacking Republicans who stood up for taxpayers and students to oppose a ridiculous tax hike and unfair irresponsible spending."

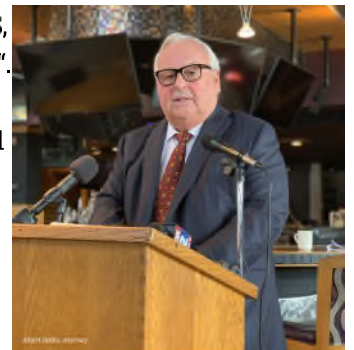
## Macomb Co. Restaurant Owners Pledge To Continue Legal Fight

(CLINTON TOWNSHIP) – A coalition of Macomb County restaurant owners and employees today pledged continued support for a lawsuit challenging the now defunct COVID-19 orders that shuttered businesses in 2020 and 2021, saying they still feel “the disastrous effects of those close-downs.”

Mt. Clemens attorney Albert **ADDIS**, who represents the Macomb County Restaurant Bar and Banquet Association (MCRBBA), said the next step is the Michigan Supreme Court, which has agreed to hear arguments in at least two cases challenging the Whitmer administration's shutdown orders.

“We believe then as we do now – the state's actions were wrong and unjust,” said Sam **BACKOS**, owner of Ernie's The Grill in Clinton Township, who hosted a MCRBBA meeting this morning. “. . . Our industry is still being affected. Our employment base has been wiped out and hasn't recovered. Our property values have been destroyed. Some believe that this is a moot point and it should all be forgotten. We do not.”

Gov. **Gretchen WHITMER** issued executive orders beginning March 2020 declaring a state of emergency, which progressed into numerous orders, including one that shuttered restaurants and other businesses in an effort to stop the spread of COVID-19.



The MCRBBA group maintains the executive orders came “without scientific proof.”

A conservative majority on the Michigan Supreme Court ruled the 1945 law Whitmer used to continue those orders was an improper delegation of the Legislature's power (See [“GOP Justices Rule Against Gov On Emergency Powers Used During COVID,”](#) 10/2/20).

That led to Michigan Department of Health and Human Services Director Elizabeth **HERTEL** issuing nearly identical orders, which have since been rescinded.

Democratic-nominated justices, however, now comprise the majority on the Supreme Court, but Addis couldn't say whether that might play in his clients' favor.

“Every now and then the truth wins out,” he replied when asked.

The MCRBBA, which was formed shortly before the lawsuit was filed, sued Hertel, Whitmer and Michigan Liquor Control Commission Chair Patrick **GAGLIARDI** in February 2021 in Macomb County's trial court. In October 2022 a three-judge appeals panel affirmed the Court of Claims' decision that it was the proper venue for the case and that the association lacked standing to sue (See [“Another COVID-Era Lawsuit Dies In Court,”](#) 10/14/22).

An appeal request before the Supreme Court is being held in abeyance pending decisions in *Mt. Clemens Recreational Bowl v. DHHS Director* (No. 165169) and *Gym 24/7 Fitness v. State of Michigan* (No. 164557) (See "[Gym Loses Again In Suing State Over Pandemic-Era EO](#)," 4/4/22).

The Supreme Court is expected to hear oral arguments in those two cases in its next session, which begins in October.

The latest appeals court ruling that was a win for the restaurants came in the suit filed by T&V Associates, who does business as River Crest Catering, against Hertel, challenging the constitutionality of her orders.

The Michigan Court of Appeals recently sided with the plaintiffs, holding Hertel's March 2021 public health order was unconstitutional because the law is too vague in its delegation of authority. The Attorney General's office has said it will seek an appeal with the Supreme Court.

"All of those things were done without constitutional authority," Addis said, noting that his clients have lost millions of dollars and continue to suffer.

Addis and the business owners disagree with the state's position that their fight doesn't matter anymore.

Former Sen. Tom **BARRETT**, a MI-7 congressional candidate, and Rep. **Joseph A. ARAGONA (R-Clinton Township)** agreed the case is not moot.

Barrett said the state took a political prisoner when Marlena **PAVLOS-HACKNEY**, owner of Marlena's Bistro and Pizzeria, was "targeted and arrested ... because she had the audacity to open" her restaurant in defiance of the pandemic orders (See "[Maddock Offers To Help Defiant Restaurant Owner Get Out Of Jail](#)," 4/16/21).

"There's a war going on in this industry," Aragona said. "If people don't think there is, they're sorely mistaken."

Joe **VICARI**, owner of Andiamo Restaurant Group, said his restaurants continue to experience challenges resulting from the pandemic, including staffing.

Vicari said the federal government targeted him when he hired African Americans "from jails, who were not hard criminals, but different kinds of criminals." He said he paid those workers cash as they requested, but the U.S. Department of Labor investigation concluded they hadn't paid the employees properly.

Vicari said the FBI also targeted his businesses for alleged human trafficking.

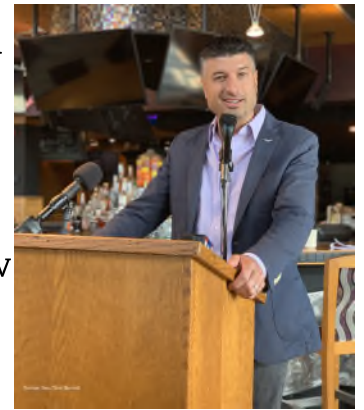
"They targeted us pretty good," he said. "... The people you're hiring today you would not have hired five or six years ago, but that is the reality, and it's impacted our businesses."

Vicari's businesses were fined \$88,020 in back wages and damages to 127 employees after an investigation found he denied workers at 13 locations their full wages and allowed a minor-aged employee to work longer and later than legally permitted.

Addis said the Legislature could step up and "find a way to compensate" the restaurant owners as well as introduce and pass legislation to address the possibility of similar situations.

In addition to telling their stories, the group used today's meeting to collect donations to fund the ongoing legal fight. To date, the group has spent an estimated \$47,000 on its court battle and is an additional \$37,000 in arrears, Backos said.

"This has never been a political issue," Backos said. "It's been a right and wrong issue."



## MSF Board Member Cleared Of Conflict Of Interest


Cindy **WARNER**, founder of 360ofme, has been cleared of possibly having a conflict of interest by an independent compliance office within the Michigan Strategic Fund (MSF). The potential conflict of interest pertained to the fiscal year 2023 third quarter. (**Editor's Note:** The name of a different Michigan Strategic Fund member was mistakenly mentioned in a report earlier today.)

Chief Compliance Officer Kevin **FRANCART** sent a memorandum concerning the decision to the State Administrative Board on July 11 and the communication was approved by the MSF board today.

"I am pleased to report that all compliance matters addressed during the third quarter of the 2023 fiscal year were either successfully resolved, are being appropriately addressed, or are undergoing review and are currently being evaluated," Francart wrote.

Francart wrote that he assisted the Auditor General with questions regarding conflicts of interest within the MEDC and with MSF Board members.

"The conclusion was, because staff were not involved with the decision-making in the awarding of funding, a conflict did not exist at that time, but if the Board Member's company was an active participant in the program and the program comes to the Board, a conflict is likely and this should be monitored," Francart wrote.

Gov. **Gretchen WHITMER** expanded the MSF Board to 13 members after the passage and signing of  **HB 4219**. Warner, along with Randy **THELEN**, were appointed to replace two MSF board members who were leaving.

Warner's appointment raised questions about a conflict of interest concerning her company.

Thelen's appointment also raised questions of a possible conflict of interest. However, his appointment came after the Gotion deal and the funding of the Right Place.

Francart said he hasn't done a conflict of interest report on Thelen, but that he had recused himself because of the Gotion Inc. projects.

Thelen recused himself from voting on the Michigan Strategic Fund Board consent agenda today that included an amendment that removed Big Rapids Township from the Gotion project. The Right Place helped get the funding for Gotion Inc. cleared in the Legislature before he was appointed (See "[Right Place CEO Appointed To MSF Board; Other Gubernatorial Appointments](#)," 4/27/23).

"Board members often recuse themselves when something comes up just to ensure there is no conflict of interest," said Otie **McKINLEY**, a spokesperson with the Michigan Economic Development Corporation.

Michigan's University Research Corridor Executive Director Britany **AFFOLTER-CAINE** also recused herself from the consent agenda due to an issue before the board regarding the Michigan State University Foundation.

## Michigan Working With Ontario On EVs

Ontario and Michigan will be working together on helping develop an emerging electric vehicle industry, under a formal document signed today by Gov. **Gretchen WHITMER** and Ontario Premier Doug **FORD**.

The Strategic Investment and Procurement Agreement (SIPA), signed amid moments of technical difficulty for those watching the Youtube livestream, will also set collaborative goals on advanced technology, cybersecurity, agriculture and rural development, alternative clean fuels and travel and tourism sectors.

But working together on the electric vehicle industry was the focus of this Memoranda, one of several between Michigan and Ontario that have previously focused on mobility, technology, and innovative research and development.

During the livestream, Ford highlighted the intertwined economies of Michigan and Ontario, starting with the shared "busiest border crossing in North America" with total trade valued at \$80.6 billion in the last year, along with the half a million jobs that depend on trade between Michigan and Canada, one in five relying on exports.

"We all know this famous stat," Ford said when talking about collaboration within the auto industry. "Auto parts cross the border as many as eight times before being installed in a final assembly plant in either one of our countries."

He said as both countries enter the electric vehicle revolution, there are more opportunities for even greater cooperation.

"This new agreement, this Memorandum of Understanding, will help us build even stronger ties," Ford said. "It will promote more trade and help us identify new opportunities for strategic partnerships that will help our businesses compete internationally."

Under the new Michigan-Ontario SIPA, both jurisdictions will identify strategic partnership and joint trade promotion opportunities, Whitmer said.

Ford said the partnership will also help facilitate faster, more efficient border crossings, "and help businesses on both sides of the border gain access to government procurement opportunities."

Part of the SIPA stipulates a Procurement Cooperation Council formed between Michigan and Ontario to encourage further transparency.

"It will help build our economies, strengthen our integrated supply chains, including for EVs, and create good-paying jobs on both sides of the border," Ford said. "As we navigate global uncertainty, now's the time to strengthen, not weaken, our relationship."

Whitmer did not yet delve into the specifics of the council, instead focusing on the deep connection between Michigan and Ontario and referencing the "Pure Michigan" experience of accidentally driving into Canada.

"We've shared best practices and partnered on efforts to forge cross-border mobility innovations together, from an electric vehicle corridor to a first-of-its-kind inter-state air mobility corridor," Whitmer said. "The partnership pays massive economic dividends."

She honed in on Canada's designation as the top destination for Michigan exports last year - valued at \$27 billion - and the creation of 3,900 jobs for Michiganders by Canada.

## Mackinac Bridge To Leave Loonies Alone

The Mackinac Bridge Authority said it will no longer be taking Canadian cash for tolls starting Oct. 1.

Mackinac Bridge Authority spokesperson James **LAKE** said the drop would include both paper and coins due to the administrative burden caused by the exchange rates and processing fees associated with accepting Canadian currency.

"As the Mackinac Bridge is not an international bridge, and we cannot offer an attractive exchange rate to customers, the Authority has decided to stop accepting Canadian currency," said Mackinac Bridge Director Kim **NOWACK**. "We're certainly



not looking to inconvenience our customers, but we're one of very few businesses or agencies in Michigan that accepts Canadian cash."

The typical toll for crossing the big bridge in a passenger vehicle is \$4, but the Authority currently charges \$8 Canadian and receives about \$4,000 Canadian each month.

That currency must be exchanged and to do so the Authority gets rates from two different banks. After selecting a bank, the cash is then transported by an armored vehicle and a wire fee is charged for the amount exchanged.

"We do have a lot of Canadian customers who currently use credit or debit cards to pay the toll," Nowack said. "Those customers get a better exchange rate through their credit card company than we can offer them. In fact, when they learn that the toll will be double when paying with cash, many of them choose to pay by card instead."

## Washington Voters Were Fine With Vehicle Miles Travelled Tax

In an effort to anticipate the response Michiganders might have to a road tax based on miles driven, or the Vehicle Miles Traveled (VMT) tax, *MIRS* reviewed survey data from the state of Washington, which did a focus group and statewide polling on the issue.

At the time of the Washington study, 10% drove an electric vehicle, 22% had a hybrid and 69% drove a gas-fueled vehicle.

The highway department in that state first divided the driving population into three categories -- 10% of the motorists drove under 5,000 miles a year, 61% logged between 5,000 and 14,999 and 29% drove more than that.

Next, the poll asked if respondents supported the new tax. They did not call it VMT, but rather a Road Usage Charge (RUC). 11% strongly backed it. When coupled with the 51% who supported the concept, the total was 62% in favor.

Overall, 21% opposed it, with 5% of the population strongly opposing it.

Michigan's road-building lobby is linking this debate to the fairness issue. E.V. owners should pay the same share of road repairs costs as gas-powered vehicle owners. However, that was not the major concern in Washington.

Roughly 83% worried more about privacy and 74% were concerned about data security in the process of gathering the mileage figures. By comparison, 59% brought up the fairness argument.

Washington state gave motorists four options for providing the mileage figures.

34% picked a plug-in system into the vehicle's GPS system. 25% opted for reading the odometer. 21% selected an automated plug-in device and 19% reported the data through their Smartphone.

The 2,000-person cohort in the focus groups revealed that motorists knew they would pay "slightly" more because of the changeover but "felt it was not too expensive. Perhaps a few more dollars a month than the gas tax."

Whether the road builders here will find anything useful in pitching the VMT levy remains to be seen as they lobby MDOT, which has until September to come up with a likely pilot program for the state to try.

## 'Make It In Michigan' Could Soon Include Insulin

Gov. **Gretchen WHITMER**'s recently coined slogan for her "Make It In Michigan" economic strategy could also soon resonate with insulin producers if a Rep. **Curtis VANDERWALL (R-Ludington)** bill is passed.

VanderWall's [☞ HB 4890](#), which has several bipartisan co-sponsors, creates an insulin production partnership between the state and private sector contractors, awarding grants for the production and distribution of insulin medications.

He said work on the bill started with former Rep. Sara **CAMBENSY**, now executive director of the Michigan Chemistry Council, when VanderWall was serving in the Senate.

Cambensy introduced legislation similar to Rep. **Jennifer CONLIN (D-Ann Arbor)**'s [☞ HB 4015](#) this term, which sets a \$50 copay limit for 30 days of prescription insulin, but Vanderwall said the bill didn't address the root cause of unaffordable insulin, leading the pair to begin looking at producers.

Cambensy told *MIRS* previously the root cause of expensive insulin was a lack of manufacturers in the United States (See "Line 5 Shutdown Could Mean No Michigan-Made Insulin," 4/3/23), which VanderWall said his bill addresses.

[☞ HB 4890](#) first explains the Legislature's finding that "the cost of insulin medications, particularly long-acting insulin, has risen to an unacceptable level, and that this increase has resulted in reduced access to life-sustaining medications for many residents of this state with diabetes."

It establishes the "insulin production program" to create a public-private partnership and "foster the creation of skilled biopharmaceutical manufacturing jobs in this state," along with ensuring that residents have access to affordable generic alternatives for insulin medications.

Under the bill, the state owns the property where insulin facilities are located, and private partners operate and maintain the facilities.

The program would include an insulin production fund created within the state treasury, which could provide grants of up to \$150 million for the construction or renovation of a facility.

VanderWall said he has already located two insulin producers that will have Food and Drug Administration (FDA) approval "relatively quickly, and when I say relatively quickly, here in the next couple of months."

The agreement would include a transparent price set in advance, and a caveat that the private partner sells the insulin without rebates to a pharmacy benefit manager, or else the state would take over distribution.

VanderWall said bypassing pharmacy benefit managers would cut out a large chunk of the cost, and still allow insulin to be delivered in-state.

"I feel we'll be the only state that will produce insulin with a partnership with another private company," VanderWall said, "and be able to deliver it to constituents, and really deliver the results we want."

When asked if he anticipates opposition to the bill because of the change to insulin production and distribution, VanderWall said, "Absolutely."

"I think anytime you're going to bring something new into the market that's going to be competitive with an existing product. . . . Nobody wants to lose market share or their profit structure," VanderWall said.

But he said that the most important consideration is the resulting better health outcomes that accompany affordability.

"Because it's affordable, people will be willing to take their insulin at the level that the doctor prescribes them to, where they won't ration it," he said. "And ultimately, the health outcomes for the people that are on insulin and take it like they're supposed to will be much, much better."

The bill addresses concerns about foreign investments that Michigan has seen regarding some recent economic development projects, like Gotion, by requiring a filing with the Committee on Foreign Investment in the United States (CFIUS) for foreign companies to receive clearance.

VanderWall said the information being provided up front will help make Michiganders more comfortable with the partnership.

The bill would also mandate reporting requirements on the program's investments and insulin produced from them.

VanderWall said he's hopeful to get committee hearings started in the fall, though the process "never works as fast as we'd like." The goal is to begin providing insulin sometime in 2025.

The bill was introduced on July 18, and was referred to the House Health Policy Committee.

## Campaign Finance Complaint Filed Against Election Denier Groups

A former Democratic Party chair filed a campaign finance **complaint** Monday against groups and individuals who supported recounts of Proposals 2022-2 and 2022-3.

Mark **BREWER**, now an attorney with Goodman Acker, alleges the contributions to and expenditures made by the supporters of the recounts "were not reported in violation" of the Michigan Campaign Finance Act.

Included in the **complaint** are Election Integrity Fund and Force (EIF) and its director, Sandy **KIESEL**; The America Project (TAP), which is a national election denier organization founded and funded by former President Donald **TRUMP** supporters; and EIF attorneys Daniel **HARTMAN**, Stefanie Lambert **JUNTTILA** as well as EIF volunteers Braden **GIACOBAZZI**, Scott **AUGHNEY** and Lori **SKIBO**, who is a former projects manager for Michigan Citizens for Election Integrity.

Sam **INGLOT**, executive director of Progress Michigan, who supported Brewer's filings, said these groups and individuals have shown they have one goal: "to sow distrust and division" for political gain.

"We are sick of election deniers doing everything they can to overturn the will of Michigan voters just because they don't like the results of our elections," he said in a statement. "While they have the right to file for recounts, they also have the legal obligation to follow the laws governing that process and it appears based on a review of the campaign finance filings that none of that happened.

## MSF Hands Out \$28.55M In Loans & Grants

The Michigan Strategic Fund Board handed out \$28.55 million in loans and grants to six different projects today, including two city buildings and four businesses.

The building projects in Battle Creek and Pontiac accounted for \$14.1 million.

MICAH 6 Community and Webster Community Center are slated to receive a \$7.6 million Michigan Community Revitalization Program performance-based direct loan and a \$5 million Revitalization and Placemaking Program (RAP) performance-based grant to turn an abandoned historic school building into a mixed-use building in Pontiac.

"This building sat across the street from our headquarters for a long time and we imagined for a long time, 'I hope somebody does something great with that building,' and then the universe aligns and it turns out that it is us," said MICAH 6 Executive Director Coleman **YOAKUM**.

Anson Building, LLC, is slated to get a \$1.5 million Michigan Community Revitalization Program performance-based grant to rehabilitate a hotel that was abandoned for nearly 23 years in downtown Battle Creek.

The *Battle Creek Enquirer* **reported** the building had been slated for demolition three times before plans were made to have a deli go into the bottom floor of the property.

Assistant Battle Creek City Manager Ted **DEARING** said Battle Creek Unlimited, an economic development in the city, was going to sell the building for \$1 and there would be a tax abatement for about \$530,000.

“We have many local residents who have a personal connection to this building and its former owners, so it means quite a bit to the community to see it come back to life,” Dearing said.

LuxWall, Inc. would be getting a \$6 million Michigan Business Development Program grant to help create high-volume vacuum-insulated glass production facilities in Detroit and Hillsdale County. The company would take over vacant factories in Litchfield and sites in Detroit are being evaluated for the second facility.

“This project is a win for Detroit, Hillsdale County and for the entire state,” said MSF Chair Quentin **MESSER** Jr.

The company was created in 2016 in Ypsilanti and the two expansions would create energy-efficient windows for residential and commercial retail in U.S., Canada, and Europe.

The project is expected to create 453 jobs.

Bollinger Motors, Inc., a \$3 million Michigan Business Development Program performance-based grant to help create an electric SUV. The New York-based company said it is currently headquartered in Oak Park and is nine months from starting production on its first vehicle.

The company is also looking to expand its headquarters and expects to have about 300 employees by 2028. The company currently has 70 employees.

Company officials told the MSF they would be looking for additional space in Oakland County and Oak Park in the next couple of years.

Bollinger Motors General Counsel Jason **PUSCAS** said the business would be able to fill orders up to 2,500 vehicles by 2025 and there could be military applications for the vehicles.

“We have already had some talks with suppliers for military plating that we could apply to that sort of vehicle. That vehicle is a couple more years out,” Puscas said.

Magna Seating of America is getting a Michigan Business Development Program Grant for \$4.25 million to construct a 300,000-square-foot factory in Auburn Hills at a former Oakland County animal shelter.

The company was expected to hire more than 530 new employees.

P.R.A. Company, or Vantage Plastics, got a \$1.2 million Michigan Business Development Program Grant to rehabilitate a facility that has sat vacant for 20 years in Bay County’s Bangor Township for custom thermal plastic forms servicing the auto and consumer goods industries.

The company started in Standish and has had an increase in demand for a reusable packaging product that could save companies millions, according to Vantage Plastics President Paul **AULTMAN**.

“It’s great for the community, great for our customers and, well, I won’t go into more detail. We don’t want to steal the thunder from them, because this is something they’re going to advertise,” Aultman said.

## Enviros See DTE Settlement As Just A Start

DTE's Integrated Resource Plan (IRP) settlement will end the company's coal use by 2032 and has been viewed as a strong starting point by environmental activist groups that fought for it, but the coalition that lobbied for the Michigan Public Service Commission (MPSC) to adopt the settlement said it still doesn't go far enough to ensure long-term grid sustainability.

The IRP settlement, a 20-year plan and update to DTE's 2019 IRP, was kickstarted by thousands of comments to the MPSC, Sierra Club Michigan Chapter's Andrew **SARPOLIS** said.

He spoke as part of a community webinar on "The Good, The Bad and The Ugly" of the DTE settlement agreement.

The settlement agreement will be submitted to the MPSC during its Wednesday meeting, where members will make the final determination on the settlement.

The settlement's highlights for environmental advocates included expediting the retirement of the Monroe Power Plant from DTE's original suggestion of 2035 to 2032 (See "DTE Settlement Would End Its Coal Use By 2032," 7/12/23).

The plant has been reported as the third-largest greenhouse gas emitter in the United States, and has been linked to asthma-related emergency room visits and chronic bronchitis.

Advocates applauded the 780 megawatts of energy storage that DTE will develop by 2030, a jump up from its original plan of 360 megawatts.

The plan also includes a \$38 million allocation for low-income assistance programs, with \$30 million allocated to energy assistance and \$8 million to support organizations that will provide solar and battery installation.

And it requires DTE to file annual public disclosure reports detailing any contributions adding up to over \$5,000.

But despite supporting the plan, when asked if the concessions by DTE are enough to make the grid sustainable, Jackson **KOEPEL** of Soulardarity said, "No. This is not enough."

He said the settlement doesn't address grid reliability or affordability, and despite more allowances for community and rooftop solar, renters are still left out of the transition and not given avenues to participate.

Koeppel, along with Nick **DODGE** of the Michigan League of Conservation Voters in a statement put out before the webinar, said the necessary next steps to make the grid sustainable and lower costs for Michiganders fall to the Legislature.

## James' Bill Calls For Soo Locks Security Study

The U.S. House is expected to soon vote on legislation by U.S. Rep. **John JAMES (R-Farmington Hills)** requiring the federal Secretary of Transportation to prepare a report on any security deficiencies related to the Soo Locks in Sault Ste. Marie.

The aforementioned locks connect Lakes Superior and Huron, assisting cargo ships as they come near St. Marys Rapids. Because there's a 21-foot elevation change between Lake Superior and Lake Huron, the locks utilize gates and chambers to raise and lower vessels, allowing them to safely avoid the rapids.

"An average of 7,000 vessels pass the locks every single year, and with it, over 90% of the world's iron ore – this makes the Soo Locks critical for our national security," James, the sponsor of federal HR 3399, said on a press call today. "In 2015, the



Department of Homeland Security found that a six-month shutdown would be disastrous. It would cause recessions, closed factories, shuttered mines . . . a pause in U.S. auto and appliance production for most of the year...around 11 million jobs (would be lost) nationwide."

James referenced an **October 2015 study**, illustrating how an unanticipated closure of the Poe Lock – which is the single lock large enough within the Soo Locks to handle 1,000-foot freighters transporting iron ore – would lead to around 75% of American integrated steel production ceasing within two to six weeks, depending on when a closure takes place.

Under James' HR 3399, the U.S. Secretary of Transportation must collaborate with the U.S. Secretary of Defense and the Commandant of the Coast Guard to organize a report spotlighting things such as:

- The supply chain, logistical and economic effects that would be linked to a malfunction or failure in the locks, and how the country and surrounding region would be impacted
- Possible domestic or international threats to the locks' integrity
- Details on how the U.S. Coast Guard and other federal, state or local agencies are safeguarding the locks
- Recommendations developed by the report's stakeholders on how to strengthen the locks' security and to proactively reduce risks to the supply chain if they were to malfunction or fail.

The study, created by a new "Soo Locks Security and Economic Reporting Act of 2023," would be submitted to the U.S. House Transportation and Infrastructure Committee, the U.S. Senate Commerce, Transportation and Science Committee and the U.S. Senate Environment and Public Works Committee.

James said he personally believes the study's price-tag would be less than \$500,000.

As for what recommendations he would like to see the report develop, James mentioned directing a hypersonic mission to the Selfridge Air National Guard Base in Macomb County to cover the physical defenses of the Soo Locks. He added that the locks also need cyber defenses, shielding operations from being affected by a sophisticated cyber attack.

Other lawmakers involved with HB 3399 are U.S. Reps. **Jack BERGMAN (R-Watersmeet)**, **Hillary SCHOLTEN (D-Grand Rapids)** and **Dan KILDEE (D-Flint)**.

The U.S. Army Corps of Engineers is presently administering a large modernization project for the locks. In December 2022, President Joe **BIDEN** signed off on allowing the Corps to spend as much as \$3.2 billion on the ongoing task, which is expected to take another decade to complete.

"When we are doing a project like the new Soo Lock, to run a study like this, when it comes to utilizing what kind of tools we're using today to assess security threats, part of this will be actually incorporated, potentially, into the final lock that will open up," Bergman said on the press call. "This study will actually add value to the final touches of the project over time, because those contracts for security analysis going forward (haven't) been awarded yet."

The bill is expected to be voted on by the U.S. House on Wednesday.

## Bits And Tidbits

### *Benson Starts PAC To 'Protect Democracy'*

Secretary of State Jocelyn **BENSON** announced today the creation of the Michigan Legacy political action committee, which is designed to "focus on progressive values, protect freedom and empower voters."

Lonnie **SCOTT**, the former head of Progress Michigan, was named the PAC's treasurer.

"We've already made remarkable strides in electing pro-democracy leaders and advancing pro-voter policies over the past few cycles here in Michigan. The Michigan Legacy PAC is committed to sustaining this momentum for years to come," reads the Benson release.

Last month, Benson played coy on *Michigan's Big Show* starring Michael Patrick **SHEILS** when she was asked if she would run for Governor (See "[Benson Doesn't Downplay Possible Gubernatorial Run](#)," 6/8/23).

### *Harper Staying On Strike With Screen Actors Guild*

U.S. Senate candidate Hill **HARPER**, a professional actor by trade, announced today in a *Detroit Free Press* op-ed that he's going on strike with his fellow Screen Actors Guild members to "demand justice and fair contracts."

He made the point that CEO salaries are out of whack in many different industries with those of median workers and it's time for those salaries to be brought more in line. At Starbucks, the CEO is making 1,500 times that of a barista.

"This is not an accident -- it's the deliberate, painstaking result of decades of right-wing policy aimed at weakening labor unions, attacking the right to organize, and paying workers as little as possible to increase corporate profits, valuations and stock prices," Harper **wrote**.

### *Lucido Opponent Claims \$65,069 Raised For Campaign*

Macomb County prosecutor candidate Christina **HINES** announced today she has received \$65,059 for her 2024 campaign to unseat incumbent Pete **LUCIDO**, whose first elected term expires at the end of 2024.

Since announcing her candidacy in April, Hines said she's received more than 300 contributors with most donors giving \$100 or less. Hines is a Warren native who received her law degree from Wayne State University.

Hines, a married mother of three, currently serves as the chief of the appellate division at the Washtenaw County Prosecutor's Office. She previously worked in the Wayne County Prosecutor's Office.



**This is My Home: Christina Hines for Macomb**

Christina Hines For Macomb

02:14

### *LCC Board Of Trustees Treasurer Proctor To Serve As MCCA Executive Committee Chair*

Robert **PROCTOR**, treasurer of the Lansing Community College Board of Trustees, will serve as chair of the Michigan Community College Association's (MCCA's) 2023-2024 executive committee.

Alongside Proctor, Oakland County Community College Chancellor Peter **PROVENZANO** will serve as the executive committee's vice chair, Henry Ford College Trustee Irene **WATTS** will be the trustees' vice chair, Kalamazoo Valley Community College President Dr. Marshall **WASHINGTON** will be the president's vice chair and Mid Michigan College President Tim **HOOD** will be the treasurer.

Members at-large will consist of West Shore Community College President Scott **WARD**, Muskegon Community College Trustee Don **CRANDALL**, Bay College Trustee Joy **HOPKINS** and Bay Mills Community College President Duane **BEDELL**. The executive committee's immediate past chair is President Dr. Beverly **WALKER-GRIFFEA** of Mott Community College.

#### *Oakland University Names Public Policy Series After Dennis Muchmore*

Oakland University announced it would name an annual public policy series presented by the Oakland University Center for Civic Engagement after Dennis **MUCHMORE**.

Former Gov. Rick **SNYDER** and former Gov. James **BLANCHARD** would attend the inaugural event set for 6 p.m. Sept. 18. Muchmore was chief of staff for Snyder and co-leader of the Government Relations and Regulatory Practice Group at Honigman LLP.

#### *Former Gov. Blanchard Endorses Slotkin For '24 U.S. Senate Seat*

Former Gov. James **BLANCHARD** has officially endorsed **Elissa SLOTKIN (D-Holly)**, the present-day U.S. representative, for U.S. Senate. In a press release highlighting the endorsement, Blanchard, who served as Michigan's Democratic governor from 1983 through 1990, was described as "the first statewide elected official to make an endorsement in Michigan's U.S. Senate race."

#### *Indian Land Dispute Resolution May Be Approved Shortly*

The U.S. Senate Indian Affairs Committee recently approved a U.S. Sen. **Gary PETERS (D-Oakland County)** bill to settle the longstanding land claims of the Keweenaw Bay Indian Community and clear the title of current landowners in the community.

Through 1842 and 1854 treaties, the KBIC was guaranteed occupancy over a large area of land established as the L'Anse Reservation. However, between 1855 and 1937, thousands of acres of the reservation were taken by the federal government without compensation and awarded to the state of Michigan.

Peters introduced the Keweenaw Bay Indian Community Land Claim Settlement Act of 2023 with U.S. Sen. **Debbie STABENOW (D-Lansing)** in coordination with the KBIC along with state and local governments, to address the claims while clearing the title of current landowners in the community.

Rep. **Jack BERGMAN (R-Watersmeet)** introduced companion legislation in the House.

The KBIC land claims involve the dispossession of between an estimated 1,333 and 2,720 acres of land, which was transferred as compensation for the construction of the Sault Ste. Marie Canal, as well as about 2,743 acres of swamplands.

#### *Slotkin Reintroduces Raise The Wage Act*

U.S. Rep. **Elissa SLOTKIN (D-Holly)** joined House Democrats today in reintroducing a measure that would gradually raise the federal minimum wage to \$17 an hour by 2028, phase out the subminimum wage for tipped workers and individuals with disabilities, and ensure that the minimum wage keeps up with the national median wage in the future.

In other news:

- Kendra **LEWIS**, 42, of Wayne, pleaded no contest Monday to embezzling \$50,000 to \$100,000 and two counts of making/permitting a false tax return. She agreed to pay \$197,464 in restitution. The Department of Attorney General said Lewis embezzled in 2020 and 2021 while employed as the office manager of Big Ike's Roofing Co., located in Whitmore Lake. Sentencing is Aug. 28 in the Washtenaw County Circuit Court.

- Graduate workers and University of Michigan representatives met Friday to initiate a "fact-finding" process – the latest in a series of maneuvers U-M has made as the parties' work toward negotiating a contract. The process is handled by the state labor board and a settlement recommendation from the state-appointed fact-finder is anticipated by mid-September.

Former Dearborn Heights police officer Paul **GRAF**, 33, is charged with two counts of felonious assault in connection with the assault of a 23-year-old Dearborn Heights police officer in December 2021. Graf is accused of attacking the other officer with a knife.

- Denny **DiCAPO**, 63, of Rochester Hills, pleaded guilty as charged, with a delayed sentence, to one count of conducting a criminal enterprise, a 20-year felony, and six counts of larceny by conversion, \$1,000 to \$20,000, five-year felonies for using his corporations, Biz Capital Brokerage Inc. and Energy Acquisition Specialist Inc. to defraud seven victims out of \$26,000, the Attorney General's office said. He is charged as a habitual offender. Sentencing is Sept. 18 in Oakland County Circuit Court.

## On This Day In Michigan History

On July 25, 2010, a burst pipeline from Enbridge caused 840,000 gallons of oil to spill into the Kalamazoo River, spurring the most expensive inland oil pipeline leak in Michigan history.

Gov. Jennifer **GRANHOLM** declared a state of disaster for Calhoun County a couple of days later. She activated the Michigan State Police Emergency Management and Homeland Security Division to coordinate the cleanup response.

Source: *MIRS* archives