### **Capitol Capsule**



#### MIRS Capitol Capsule, Thursday, December 21, 2023

QUOTE OF THE DAY

#### "TAKE big money at Minaaards!"

- Sen. Dayna **POLEHANKI** (D-Livonia) on the social media platform X after Rob and Anne **MINARD** were charged with a combined 20 felonies for allegedly bilking at least \$525,000 from various non-profit and political action committee accounts.

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## Legislative District Maps Found To Violate Voting Rights Act

Any future elections in a combined 13 Metro Detroit legislative districts are on hold after a federal panel ruled today that the race-based drawing of Michigan's 2021 House and Senate redistricting maps was an unconstitutional racial gerrymander.

The three-judge panel ruled Michigan's Independent Citizens Redistricting Commission followed the advice of a team of experts that as long as they limited their black voting age population to between 35 and 45 percent, the maps would comply with the U.S. Voting Rights Act.

But in mentioning "scores if not hundreds of times" that they were sorting Detroit-area voters into districts, the record shows "almost oceanic" evidence that redistricting commissioners intended to draw boundaries on the basis of race.

The judges showed some empathy for the commissioners, 13 people who were led by the nose by their "voting rights act legal counsel," who assured the MICRC that any legislative districts in which Black voters made up more than 45% of the population amounted to "packing."

Attorney Bruce **ADELSON** and political scientist Lisa **HANDLEY** provided a "grave disservice to everyone involved in the case, above all the voters themselves" when they assured commissioners that black-preferred candidates would "perform well" in the challenged districts – House Districts 1, 7, 8, 10, 11, 12 and 14 and Senate Districts 1, 3, 6, 8, 10 and 11 – based on general election alone, the court ruled.

Adelson was mentioned by name 155 times in the 116-page decision and Handley 110 times.

The references were so numerous, Judge Janet **NEFF** wrote separately to say both Adelson and Handley are "highly respected in the redistricting field" and the Commission did the best it could

under a challenging situation.

Still, the upshot is the parties in the case are going to show up to court in early January to discuss how the maps will be redrawn and whether the process will include only these 13 districts or the entire House and Senate maps.

An appeal is expected, although nothing was announced officially on this front.

"It's an extremely great day for the people of Detroit," said former Rep. Sherry **GAY-DAGNOGO**, a lead plaintiff in the case, *Donald AGEE v. Jocelyn BENSON*. "This is for the people who were left out of the process, who didn't have access to transparency.

"Ray **CHARLES** could see this was wrong. I'm grateful to our judges who ruled the right way – that Brightmoor and Birmingham don't belong together, that Jefferson-Chalmers and St. Clair Shores don't belong together. Black representation matters."

MICRC Executive Director Edward **WOODS** III said the MICRC is aware and disappointed by the court's decision. Commissioners will review the decision before providing a statement tomorrow, he said.

In the immediate term, there's a question whether today's decision impacts the special House elections in the 13<sup>th</sup> and 25<sup>th</sup> House districts in Westland and Warren, districts left open by the resignation of former Reps. Lori **STONE** and Kevin **COLEMAN**.

While the  $13^{th}$  and  $25^{th}$  weren't mentioned in the suit, the  $13^{th}$  is sandwiched between two illegal districts – the  $12^{th}$  and the  $14^{th}$ . Commissioner Anthony **EID** said during his testimony to the federal court panel that redrawing the challenged districts would mean redrawing the entire maps.

Asked about the possibility today, House Republican Leader Matt HALL (R-Kalamazoo) said, "It seems like you'd have to adjust these districts to fix the illegal ones. I don't have a clear answer, but it seems like there's an argument there."

Michigan Democratic Party Chair Lavora **BARNES**, however, said the special elections are "expected to proceed as planned." However, the judges didn't mention the special elections in their ruling one way or the other.

The repercussions here are that if Gov. Gretchen WHITMER's special elections for early next year must be canceled to prevent elections in House districts based on an unconstitutional map, the House's partisan split of 54-54 could remain for most of 2024.

House Speaker Joe TATE (D-Detroit) declined to jump the gun, saying House Democrats will await further direction from the courts regarding next steps.

"House Democrats have made clear our commitment to putting people first by prioritizing the issues that matter most to Michiganders: putting dollars back in their pockets, protecting access to reproductive care, passing commonsense gun violence prevention laws, and much more," Tate said.

"We benefit from passionate and dedicated members and are confident in our ability to retain and grow our majority."

# Judge Rejects Permanent Income Tax Cut; Plaintiffs Will Appeal

A Court of Claims judge dismissed a lawsuit today that challenged the state treasurer's decision to increase the personal income tax rate beginning in 2024.

Judge Elizabeth **GLEICHER** adopted the state's argument that the tax reduction from 4.25 percent to 4.05 percent would apply only to 2023 state income taxes, noting that it had to be temporary or else the rate may one day go to zero.

"Logically, it would make little sense to provide a permanent tax cut based on economic circumstances that exist in one calendar year," Gleicher wrote. "The Legislature did not indicate in the language of MCL 206.51 that it intended a continuous reduction in the income tax rate."

Rep. Dale ZORN (R-Onsted), one of the 2015 lawmakers who voted on the tax cut law, said the law was drafted "so that any income tax rate reduction would be permanent" and the error should be corrected on appeal.

Sen. Ed MCBROOM (R-Waucedah Twp.), another 2015 lawmaker who voted on the tax cut law, said supporters and opposition at the time "recognized the potential that it could lead to a tax rate of zero, but only if times were so good that we didn't need to collect taxes anymore."

That scenario, the plaintiffs argue, is "extraordinarily unlikely."

"This decision is very disappointing, but it follows the usual trend of the current administration to protect its revenue and take more taxes from people, even when the law was so clearly written to reduce that burden on taxpayers," McBroom said.

The Mackinac Center for Public Policy, which said it will appeal, sued the Department of Treasury on behalf of McBroom, Zorn, the Associated Builders and Contractors of Michigan, National Federation of Independent Business Inc. and six individual taxpayers from across the state.

The plaintiffs alleged the tax rate cut should remain in place, despite an opinion from Attorney General Dana NESSEL that said the cut only applied to 2023 (See "Suit Filed To Keep Income Tax Rate At 4.05%," 8/24/23 and "AG: State Income Tax Rollback Lasts 1 Year," 3/28/23).

Part of the debate on this law concerned the meaning of the phrase "then the current rate shall be reduced." A permanent reduction was set to occur any time revenue outpaced inflation by a significant amount.

"In effect, the decision eliminated the word 'current' from the statute," said Patrick **WRIGHT**, vice president for legal affairs at the Mackinac Center. "That word is important because it sets a taxrate ceiling. Contrary to the judge's opinion, 'current rate' means the tax rate can only go lower."

The judge's interpretation would cost Michigan's 4.9 million taxpayers \$714.2 million in 2024, according to the Mackinac Center.

## AG Charges Ex-Chatfield Staffers With Felonies

The Attorney General announced today that two staffers for former House Speaker Lee **CHATFIELD** have been charged with a combined 21 felony counts related to dark money flowing into nonprofit accounts designed to benefit lawmakers.

Robert **MINARD**, Chatfield's former chief of staff, and his wife Anné **MINARD**, a former Chatfield legislative staffer, face felony charges alleging financial exploitation via a "sophisticated pattern of improper reimbursements" through double billing and falsified records from 501(c)4 social welfare organizations, state campaign committees and independent political action committees (PAC), Attorney General Dana NESSEL said today during a press conference at her downtown Lansing office.

"It became very apparent that they were intimately involved in a massive amount of financial misappropriation," she said. "However, I want to be clear, this investigation remains ongoing and the Department of Attorney General has not finalized charging decisions in all aspects of the investigation and that includes a review of conduct involving former Speaker Chatfield . . .

"These are concrete abuses in black and white," Nessel added. "So much so that in some instances, it's obvious that they were counting on the fact that no one would ever review it. Without probable cause to review the internal documents in this case, having a referral from the Michigan State Police, it's likely the public would never see what happened to any of this money."

Efforts to reach the Minard couple, who are scheduled for arraignment in 54B District Court in East Lansing on Jan. 3, were not successful.

In addition to the Minard couple's positions within Chatfield's office, their political consulting firm, Victor Strategies, brought in millions of dollars and featured nonprofit organizations, like the Peninsula Fund, which Chatfield used to pay expenses for travel, food, beverages, entertainment and lodging.

Nessel said Victor Strategies "served as a tool" for the couple to earn fees while consulting and fundraising in coordination with campaign activities. She said evidence shows the couple "wrongfully obtained" at least \$525,000 between 2018 and 2020 — which is the time frame they also worked taxpayer-funded jobs and when Victor Strategies legally made about \$1.5 million.

The couple have each been charged with one count of conducting a criminal enterprise and conspiracy to commit that offense as well as false pretenses of \$20,000 or more but less than \$50,000, embezzlement of \$100,000 or more and filing a false tax return.

Anné Minard faces two additional counts each of embezzlement from a nonprofit or charitable organization and false pretenses, while Robert Minard faces one additional count of false pretenses of \$1,000 but less than \$20,000. They both face up to 20 years in prison if they are convicted as charged.

The Attorney General's investigation began in 2022 after Chatfield's sister-in-law accused him in December 2021 of sexually assaulting her when she was a teenager and he was the athletic director at the Northern Michigan Christian Academy School, which she attended (See "MSP Receives Chatfield Complaint From LPD," 1/6/22 and "Chatfield Concedes Affair, Not Rape; Brixie Wants State Of Limitations Extended," 1/7/22).

Chatfield's attorney, Mary **CHARTIER**, previously said her client acknowledges a consensual relationship with his sister-in-law when the two were adults. She told *MIRS* today that a "thorough and unbiased review of the evidence can only result in the decision to not charge Mr. Chatfield."

Nessel described the investigation into Chatfield as ongoing.

#### How The Relationship Began

According to an affidavit, Robert Minard was introduced to Chatfield in 2013 and two months later, assisted Chatfield's campaign for state Representative.

The Minard couple began working for Chatfield in January 2015, when Chatfield first took office. Their relationship continued as Chatfield was reelected and chosen as Speaker Pro Tem.

The couple continued to be employed in the House throughout Chatfield's tenure, culminating in Robert Minard being appointed chief of staff and his wife being name director of external affairs.

Throughout their relationship, the couple's company, Victor Strategies, contracted with Chatfield's candidate committee as well as the Michigan House Republican Campaign Committee and independent PACs and candidate committees not associated with Chatfield.

The couple also maintained their own 501(c)4, Lift Up Michigan.

In July 2017, the Peninsula Fund – which Anné Minard was president – was created and was used as a tool to predominately fund activities related to Chatfield's political office, including expenses for travel, food, beverages, entertainment and lodging.

Other 501(c)4s involved include Protecting MI Future Fund, Make Michigan First, which was initially set up in 2003 by then-House Speaker Rick **JOHNSON** as Michigan Promise II, and Working Together for a Better Michigan.

Johnson was sentenced to prison for accepting bribes when he served as chair of the now defunct Michigan Medical Marijuana Licensing Board from May 2017 to April 2019 (See "Federal Judge Sentences Rick Johnson To 55 Months For Bribery," 9/8/23).

During his Speaker tenure, from 2017 to 2018, Chatfield had four leadership PACs that raised a total of \$2.9 million, according to campaign finance disclosures. Anné Minard was treasurer for all four.

While those four PACs were required to provide public reports on where the money came from and went, there were at least four nonprofits that Chatfield's team used that operated in secret. Those secret PACs raised an estimated \$3.5 million from undisclosed donors during 2019 and 2020.

## What Happens To Chatfield?

The 'hanging chad' in today's announcement of criminal charges against Rob and Anne **MINARD** is the future of their former boss, one-time House Speaker Lee **CHATFIELD**.

Attorney General Dana NESSEL noted today that any investigation into Chatfield or anyone else connected to this case will stretch into 2024 as investigators work through "millions of documents."

"The Department of Attorney General has not finalized charging decisions in all aspects of the investigation and that includes a review of the conduct involving former Speaker Chatfield," Nessel said.

MIRS has learned that the Attorney General has had all of Chatfield's personal bank records for more than a year. Everyone had their own lane and this was the Minards's. The fact that Chatfield wasn't roped into today's announcement shows that if the former Speaker was personally enriching himself from the millions in soft and hard money being raised to help House Republicans keep majority in 2020, there wasn't enough evidence to charge the Speaker.

Certainly not as much evidence as there was with the Minards.

Maybe Chatfield is charged later. Maybe he's not.

A source close to the situation told *MIRS* that the Minards controlled the financial operations when it came to financing his sometimes elaborate fundraising trips. They took care of all the expenses – the plane flights, the hotel rooms, the Dom Perignon.

The money Chatfield raised for the PACs and 501(c)4s didn't flow into his personal bank account because it wasn't his job to manage it. It was their job. Also, the fact that Nessel pivoted to changing the campaign finance disclosure law as opposed to mentioning Chatfield directly can be seen as a good sign that the former Speaker may escape charges altogether.

While it's possible that Chatfield knew that Minards were fleecing contributors or that he was turning a blind eye toward it, it's also possible that he had no idea anything illegal was going on.

And because the boards that oversee these types of 501(c)4 aren't monitored by anyone, nobody likely would have known had the Attorney General not raided the Minards's house while investigating other suspected improprieties.

Former U.S. Attorney of the Eastern District Matthew **SCHNEIDER** said all but four of the 21 charges the couple faces are personal to them. Embezzlement, false pretenses and filing a false tax return are not charges that can splash back on Chatfield or anyone else, he said.

However, the counts of "conducting a criminal enterprise" and "conspiracy to conduct a criminal enterprise" could. A conspiracy needs to involve at least two people, but could include an unlimited number.

"It's not impossible that other people are involved in the conspiracy," said Schneider, a partner at the Honigman law firm. "It's also possible that federal charges could come out of this involving other people."

The "conducting a criminal enterprise charge" is a 20-year felony and is the most significant of the charges, he said. They're also very difficult to beat for defendants.

"Paperwork cases" are often fairly cut and dried because the money trail is printed in black and white.

"It's hard to disprove," Schneider said. "It's not impossible. It's just difficult to overcome that hurdle, which is why you often see the defendants strike a plea deal. That's often how it works."

He said given that the Minards have no criminal history to speak of, they may get off with restitution, probation and possibly a few years in prison. The key will be if they plead to a felony, which carries a lifetime of issues.

Felons can't own a gun or serve on a jury, among other things. Job prospects after being found guilty or pleading to felonies are also challenging.

## Lawmakers Pledge Ethics Reforms In Wake Of Minard Charges

Democratic leadership in the House and Senate pledged transparency and ethics reform today in response to the combined 21 criminal charges against Rob and Anne **MINARD** for bilking at least \$525,000 out of various political action committees and 501(c)4s.

As outlined by Attorney General Dana NESSEL today, the Minards handled "substantial amounts of money" with no real oversight, public or private. Different entities were presented with and paid the same receipts without anyone knowing the difference.

Political fundraising and spending has "remained in the dark and hidden away" for far too long, Nessel said. Dark money accounts, like one she confessed to once using, are "functional conduits of dark money" that can accept unlimited donations from corporations without disclosing their donors.

She called for reform immediately upon lawmakers' return in November. Donors, lobbyists, staffers, fundraisers, strategists, lawkeepers and bookkeepers and elected need to operate under common transparency rules.

"What I'm saying is that we need to change the rules," Nessel said. "We need to change them for everyone. From time to time, I hear 'Why don't you voluntarily disclose this?' It's like asking somebody, 'You voluntarily go 55 miles an hour, but for everybody else, it's discretionary."

Both Nessel and Secretary of State Jocelyn BENSON cited how "inadequate government ethics laws" leave people vulnerable to abuses like those announced today. The two vowed to work together to enact "real reforms that can ensure and restore the public's faith in their elected leaders and in our democratic system."

Legislative leaders said they're ready to be willing partners.

Senate Majority Leader Winnie BRINKS (D-Grand Rapids) and House Speaker Joe TATE (D-Detroit) said the "long-awaited day" is the first of what they expect to be "multiple steps in addressing the unparalleled level of corruption that was celebrated in Lee Chatfield's inner ring."

"We know that Attorney General Nessel and her team will leave no stone unturned in holding accountable those who flagrantly defied the law, and we will use the totality of the evidence revealed in this case to help inform future legislative action," reads the statement from Brinks and Tate.

Attorney General Nessel's press conference struck a chord with House Ethics Commission Chair Erin BYRNES (D-Dearborn) in that it exemplifies the need for "transformational change" in campaign finance and transparency.

Policy reform is a piece, but so is making sure there are people in place to review the reports in a timely manner.

"We have a lot of work ahead of us," she said.

Likewise, Senate Elections and Ethics Committee Chair Jeremy MOSS (D-Southfield) pledged to "shine light on the actions in and around Michigan government after the "incredibly disheartening" news about people in the Lee Chatfield orbit "gamed our political system and took advantage of others for their own personal gain."

"As chairman of the Senate Elections and Ethics Committee, it is my duty to close the gaps that allow for this type of corruption to take place," Moss said.

# New LEO Department To Train Displaced Employees For Clean Energy

Under the 100% clean energy legislation championed by Gov. Gretchen WHITMER, the Department of Labor and Economic Opportunity (LEO) will soon be home to the new community and economic transition office.

The new department's goal is to retrain the labor force by the time the clean energy mandate is effective in 2024, said LEO Director Susan CORBIN.

"What kind of things will a local community need to access as they may be face to face with the closing of say a coal plant," Corbin said.

There has been a series of meetings to see what kind of services the office should be providing and there has been talk of assisting municipalities and communities with technical advice, grant writing and other areas that could help those places expand their economy into clean energy.

She said the office was created by the legislation, but was not yet funded. LEO is in talks with the state Budget Office, Whitmer's office and the Legislature as to how it would be funded for all that.

Corbin said there were also talks happening with the Department of Environment, Great Lakes and Energy and the Michigan Public Service Commission.

Michigan Public Service Commissioner Dan **SCRIPPS** said there had been conversations with the transition office at LEO and there has been a sharing of information about the energy industry and where plants would be retired and renewable energy areas would be created.

He said the 100 percent clean energy law would be taking up most of the Commission's 2024, along with four rate cases planned to be filed by nearly every utility in the state (See "Gov Signs Clean Energy By 2040 Package" 11/28/23).

"I think between the case docket and the legislative implementation, we'll have our hands full," Scripps said.

He said implementation of the act signed by Whitmer would have the utilities' clean energy plans evaluated under their integrated resource planning filings, but there would also be several additional filings required.

"We're still trying to get our arms around it. At this point, we're sort of developing a plan for how to tackle that, but certainly by the effective date in February we'll have information to share on how we're thinking about implementing that," Scripps said.

He said there would also be more information coming on the siting arrangements that would be taken over by the Commission, which would have a deadline of November.

"We do a lot of siting, but we haven't done renewable energy project siting, so we need to get started on that process, as well," he said.

He said the c\Commission would need to figure out the increased workload with the addition to the siting cases, but said he wasn't expecting any cases to be filed with the MPSC until 2025.

Scripps said he realizes that siting issues can be very contentious issues, especially locally.

"I articulate some clear standards and then additional considerations around prime farmland and other things that we need to have on the record in order to support a decision. You know, our cases are not always approvals. There have been rejections of siting applications in the past," he said.

He said the clean energy act was something that was already in the works, but the new requirements would force things to go faster.

Scripps pointed to differences in the clean energy legislation passed in Michigan as opposed to other states and said there were references to nuclear energy and carbon capture on gas plants that would make the transition easier for the state to 100 percent clean energy.

"If there are threats to resource adequacy or reliability or cost — if it's overly costly — we can tap the brakes and provide more time. I think the pragmatism that's built into the laws is a differentiator and makes these both ambitious, but, in my view, ultimately achievable," Scripps said.

## Inflation, Jobs, Economy Top List Of Most Important Issues

The country's inflation rate in 2023 dropped back to 3.1% after 7% and 6.5% climbs in 2021 and 2022, respectively, but the issue is still top-of-mind for Michigan voters among 19 different categories, according to recent polling by a left-leaning think tank.

Data for Progress's Dec. 8-13 survey of 718 likely Michigan voters found that inflation was "the most important issue in the U.S. today" by a 14% plurality of voters.

"Jobs and the economy" and "national security and foreign policy, including the Israel-Palestine conflict" both checked in at No. 2 with 12% apiece.

Immigration was the fourth-most cited issue at 9%. "Government spending and the budget deficit" was No. 5 with 8%.

Gun safety, climate change/the environment and abortion were all tied at No. 6 with 6% apiece.

Social Security and Medicare were No. 9 with 5%. Health care was No. 10 with 4%.

Among Republicans, inflation (20%), immigration (20%), jobs and the economy (17%) and government spending/the budget deficit (15%) were the top issues.

Among Democrats, the climate change and the environment category was No. 1 (12%), followed by inflation (11%), national security (10%), abortion (9%) and jobs and the economy (8%).

Among independents or third-party voters, national security was No. 1 (15%), jobs and the economy was No. 2 (14%), inflation No. 3 (13%), government spending/budget deficit No. 4 (10%) and

No. 5 climate change (6%).

Overall, both the coronavirus pandemic and the "role of Big Tech" received 0% of the votes. Student loan debt, education, critical race theory and LGBTQ+ issues all received 1% apiece.

Voting rights was the top issue for 2% of respondents.

## **MMA Supports Doubling Going Pro Talent Fund**

In the next budget-building season, the Michigan Manufacturers Association (MMA) wants to nearly double the size of the \$54.7 million Going Pro Talent Fund, which awards businesses short-term training program grants aimed at attracting and retaining workers.

Businesses in all industries are looking at this fund to help train its workforce, said MMA Director David **WORTHAMS** of Employment Policy.

"If we can get in this next budget, \$70 million . . . \$100 million . . . let's recognize the demand is there, so let's provide the supply," he said.

In the last Fiscal Year (FY), Going Pro was appropriated \$55 million. According to Worthams, the Department of Labor and Economic Opportunity (LEO) would have needed \$98 million to accept all of the Going Pro grant applications in FY '24.

He explained the areas of industry where employers are looking to use Going Pro dollars "are those that need to upskill their workers for advanced technology," especially when it comes to battery production and recharging infrastructure amid the transition to electrification.

"You may already have folks who have a certification or a degree that, under the old system, might not have been able to get further training to move into new technology," Worthams said. "Now the department's been able to recognize that is a need – they're changing it that way, and a lot of that's coming from discussions we have had with the department."

According to LEO, a combined 7,117 employers have accessed Going Pro grants from 2014 through FY '24, with the average award worth \$39,620 – supporting one individual worker with \$1,385, on average.

Nine percent of total awards have gone to employers with 500 or more workers, 31 peercent have been directed to businesses with 100 to 499 employees and 60 percent have been granted to those with fewer than 100 employees.

When it comes to training reimbursements, a business can seek up to \$2,000 per person for a classroom-style, customized training program, up to \$2,000 per individual for on-the-job training and up to \$3,500 per person for qualified apprenticeships registered through the U.S. Department of Labor.

During the aforementioned roundtable, MMA President and Chief Executive Officer John **WALSH** said while corporate incentives – like those offered through the Strategic Outreach and Attraction Reserve (SOAR) fund – are important, a ready and able workforce is "one of the biggest things we can have to keep people here and attract them" (See "Should MI's Corporate Incentive Spending Be Less Regulated?" 12/20/2023).

This year, Walsh served on the Governor's Growing Michigan Together Council, which set a goal for Michigan to become a top-10 state for population growth by 2050 (See "Population Council Report Leaves Off Funding Recommendations," 12/14/2023).

In 2018, Walsh served as the state budget director during the final year of former Gov. Rick **SNYDER**'s administration.

When asked about state revenue concerns ahead of advocating for a larger Going Pro deposit in 2024, Walsh said the budget's going to be fine, "but it's going to be a little more difficult because the federal dollars are missing, so they're gonna have to exercise some discipline that they didn't have to before."

"But while we're in there, we're gonna say, 'You've got money to do these things.' we'll keep arguing for that," Walsh said.

## Corbin Looks To Population Growth Report, Employment In 2024

Department of Labor and Economic Opportunity Director Susan CORBIN wants the staff at LEO to have a wonderful and relaxing holiday with family and friends. They're going to be busy in 2024.

Corbin said the Growing Michigan Together Council report would inform the department about where 2024 would be going, and the three key areas outlined in the report would be areas worked on by several LEO departments. Those, however, would be contingent on what was passed through the budget.

"In some ways, I feel like that report was a validation of a lot of the work that we have already started and will continue on. I'm looking forward to the work that's going to be happening," she

said.

To the first point of holding up Michigan as the innovation hub of the Midwest, Corbin said the Office of High-Speed Internet was granted \$1.5 billion, which was the fourth-largest allocation in the nation.

She also pointed to the Michigan Economic Development Corp. (MEDC), which was in the process of hiring a chief innovation officer.

"We'll all have responsibilities to attract and retain our young talent, especially young people who are graduating from Michigan colleges and universities," she said.

She said that went along with the second strategy in the report, which was to build a lifelong learning system focused on future-ready skills and competencies.

While the Michigan Lifelong Education, Advancement and Potential (MILEAP) and higher education areas have a large hand in the arena, LEO will be working with partners across the state to make sure employers get the employees they need.

The third strategy from the report would be to create thriving and resilient communities to attract young people.

One way LEO could accomplish this would be through the Office of Global Michigan, according to Corbin.

"We're doing work with the Office of Global Michigan so that our communities are welcoming to immigrants and refugees that are new to the state," she said.

To attract immigrants and refugees, there were several items that the department would need to tackle, including housing.

"They struggled to find housing that accommodates their families and oftentimes it's the reason why they might not stay in Michigan," she said.

Corbin said Global Michigan partnered with the Michigan State Housing Development Authority (MSHDA) to create a program to provide eligible immigrants and refugees with rental assistance of up to \$500 per month, for up to 12 months.

Language barriers were another area that LEO wanted to address. Non-English speaking immigrants and refugees may need help getting professional certificates, for example. They also may not meet the needed qualifications and need to be steered to resources to get them qualified.

"How do we make sure that they have a successful career and successful pathway here in Michigan?" Corbin asked.

The LEO director said other ongoing projects include replacing the Unemployment Insurance Agency computer system by, hopefully, 2025. The new system is supposed to better prevent fraud and speed up filing claims.

"It takes a couple of years of work to replace a system of that magnitude," she said.

Corbin said Michigan was on the right track when it comes to reintegrating the workforce, as the labor force participation rate continued to climb in the state. However, it still lagged behind the federal level.

### Fox Reports On Hertel Army Jacket Backlash

Democratic congressional candidate and former Sen. Curtis **HERTEL** is being called on by veterans to apologize after wearing a decommissioned Army uniform jacket gifted to him by his brother-in-law, who serves in the armed forces, to a Veterans Day event, Fox News reported today.

Hertel has never served in the military. Still, 28 veterans requesting an apology said wearing the jacket to the event "leaves the clear and unmistakable impression" that he did.

"While the jacket you wore that day is a retired uniform, it is intrinsically linked to the Global War on Terror era of military service," the letter said. "This is a period in which you were eligible to have served, further substantiating the impression that you are a veteran."

Hertel said the jacket was purchased by his brother-in-law, an army major, as a Christmas gift last year after it was retired in 2017 and is now available to the public for purchase.

The event that Hertel attended was a wreath laying ceremony at the Michigan Veterans Memorial in Lansing, and the letter said he persuaded organizers to allow him to address the audience despite not being part of the original programming.

"My brother-in-law, an Army major who is about to retire, gave me that jacket as a Christmas present. I wore it on Veterans Day to honor him and the other members of my family who served," Hertel said.

While in the Senate, Hertel supported bills to create a new military veterans cemetery in Crawford County and an appropriations bill for more than \$2 million in county veterans services. He backed increasing retirement benefits for military veterans and modifying the process for disabled veterans or widowed spouses to receive property tax exemptions.

"Curtis has always been a relentless advocate for veterans. It is ridiculous that he is getting attacked for supporting his family and other members of the military on Veterans Day," said Jack **DEVINE**, a Vietnam veteran and veterans' issues organizer who also spoke at the event.

Hertel's Republican opponent in the Seventh Congressional District, former Sen. Tom **BARRETT** sent out a campaign email with the subject line "Can you believe this guy?" in response to the Fox story.

"After 22 years in the U.S. Army, I often felt like I was pretending to be a politician while serving in elected office. My opponent, however, who is a 22-year politician, is now pretending to be in the U.S. Army," the email said. "We have enough phony politicians who say one thing while doing another; who pretend to be one thing while actually (being) something else."

Barrett was the Republican nominee for the seat in 2022, but lost to U.S. Rep. Elissa SLOTKIN (D-Holly). He served one term in the state Senate and two terms in the state House. In the Senate, he chaired the Transportation and Infrastructure Committee and the Military and Veterans Affairs Appropriations Subcommittee and was a member of the committees on Appropriations; Energy and Technology; Families, Seniors, and Children; Insurance and Banking; Judiciary and Public Safety.

Prior to serving in the state Legislature, Barrett served in the U.S. Army for 22 years right out of high school. He served in the Iraq War, Guantanamo Bay, Kuwait, and the Korean DMZ and flew highly advanced helicopters.

He has a bachelor's degree from Western Michigan University and has four children with his wife, Ashley.

Hertel served two terms as a state senator representing parts of Greater Lansing and also worked as Gov. Gretchen WHITMER's legislative liaison for the six months preceding his run for Congress. At the county level, he served two terms on the Ingham County Board of Commissioners from 2001 to 2008 and was the Ingham County Register of Deeds following that. From 2005 to 2008, he was the legislative liaison for the Department of Community Health under former Gov. Jennifer GRANHOLM.

In the State Senate, Hertel was the minority vice chair of the Senate Appropriations Committee. He was also vice chair of both the Commerce and the Health Policy committees. He also served on the Banking and Financial Institutions Committee and the Capitol Outlay, Higher Education and Health and Human Services subcommittees and was a member of the Appropriations Committee.

Hertel graduated from the James Madison College at Michigan State University. He and his wife, Department of Health and Human Services Director Elizabeth HERTEL, have four children. He is the son of former House Speaker Curtis **HERTEL** and the brother of current state Sen. Kevin HERTEL (D-St. Clair Shores).

## **Unemployment Ticks Up For Fourth Straight Month**

Michigan's unemployment rate rose from 4.1 to 4.3% in November, marking the fourth straight month of an increase, according to Department of Technology, Management and Budget (DTMB) data released today. Unemployment hit a recent low of 3.6% in June and July, but edged up to 3.7% in August, 3.9% in September and 4.1 in October.

Total employment and unemployment in November resulted in a labor force gain of 23,000. The national unemployment rate went down to 3.7% for the month, putting the state 0.6% above the national rate. For the year, the national unemployment rate increased by one-tenth percent and the state's went down by one-tenth percent.

"Despite the uptick in the unemployment rate this month, Michigan's labor market is rebounding from the auto-related strike and associated layoff activity," said Wayne **ROURKE**, labor market information director for the Michigan Center for Data and Analytics.

After the strikes, the manufacturing sector saw a rise of 8,000 jobs since October.

"Payroll jobs rose by 7,000 during November, with modest job gains seen in the state's auto sector," Rourke said.

Leisure and hospitality jobs took a hit of 3,000 jobs in November, and 6,000 jobs over the year mainly because of the worker strikes at the casinos in Detroit (See "Workers Strike Across All 3 Detroit Casinos," 10/17/23). <a href="https://mirs.news/news/capsule/mirs-capitol-capsule-tuesday-october-17-2023#74314">https://mirs.news/news/news/capsule/mirs-capitol-capsule-tuesday-october-17-2023#74314</a>

The job markets over the year continued to increase with 34,000 jobs added. The biggest over-the-year increases came from the education and health services and government sectors.

The statewide labor force participation rate increased to 62.1%. The employment-population ratio rose to 59.5%.

## **MIRS Christmas Publishing Schedule**

MIRS will be closed Friday, Dec. 22 through Monday, Dec. 25 for the Christmas Holiday.

Normal publishing will resume on Tuesday, Dec. 26.

Have a safe and happy holiday weekend!

### **Bits And Tidbits**

#### Rockford Parents Sue School For Using Child's Pronouns Without Telling Them

A Rockford couple filed a federal lawsuit alleging that the local school district violated their constitutional rights by treating their biological daughter as a boy and referring to the child by the child's chosen male pronouns and name.

Dan **MEAD** and Jennifer **MEAD**, who seek unspecified damages, allege Rockford Public Schools employees "deliberately changed" their daughter's school records to "conceal the fact that the district was treating their daughter as a boy without their knowledge."

The lawsuit, filed Monday in federal court, claims the parents became aware of the situation after an employee released a document that staff had "only partially altered" to appear that the child was using female pronouns.

Their then-13-year-old child, born female, asked to use he/him pronouns and a masculine name in May 2022, which the district did beginning with the teen's start of eighth grade, according to the lawsuit.

#### Supreme Court Allows JTC To Release Confidential Info For Audit

The Michigan Supreme Court approved the Judicial Tenure Commission's request to disclose confidential and privileged information as it conducts an independent audit of the racial composition of judges who have complaints against them.

The JTC files are confidential, effectively preventing an independent audit without the court's approval.

The court agreed the Commission can release confidential information "only as necessary to complete the independent audit," and placed conditions on that release, including that the entity conducting the review doesn't have active contracts or engagements with the JTC and doesn't receive the majority of its funding from the JTC, Supreme Court, State Administrative Office or the state.

The Supreme Court also ordered the JTC to enter into a binding non-disclosure and confidentiality agreement with the auditor and consultants to ensure the information remains confidential. The

court also wants the audit results shared with the court within one year from today's order.

#### EGLE Director Asks Counties For Recycling Plan

The Department of Environment, Great Lakes, and Energy has asked all Michigan counties to start development of a materials management plan starting Jan. 8 to have the state reach a residential recycling rate of 45 percent.

Phil ROOS said the plans would need to have the waste volume of the area, current recycling rates, recycling goals, strategies for recycling and enforcement measures. Counties could collaborate to come up with their plans.

"This is a time for municipalities, counties, and residents to work together to increase our recycling rate, decrease our reliance on landfills and build an economy that puts unwanted materials to a new use," Roos said.

#### In other news:

- U.S. Senate candidate Sandy **PENSLER** called on all U.S. Senate candidates in Michigan to consolidate around Donald **TRUMP** as the party's nominee in 2024. The target of the declaration was former U.S. Reps. Mike **ROGERS** and Peter **MEIJER**, who have been uneven about their support of Trump in the past.
- Michigan State Police (MSP) Director Col. James F. GRADY II announced the promotion of F/Lt. Aimee **BRIMACOMBE** to lieutenant colonel and chief deputy director. In that role, she will serve as a member of the Director's Leadership Team and formulate the department's mission, policies, strategic plans, directives and organization structure.
- The Michigan Public Service Commission approved voluntary green pricing programs for five utilities today. The programs would allow customers to specify if they want a certain amount of electricity purchases to be from renewable energy resources, with costs billed to participating customers.
- The Department of Natural Resources is increasing its recreation passport fee on vehicle registration tags \$1 to \$14 starting Jan. 1.
- The Michigan Public Service Commission ordered DTE Electric Co. and Consumers Energy Co. to convene at least one meeting with local government representatives and emergency response teams by March 31 in order to improve communications during outages and extreme weather. The utilities need to report their findings to the MPSC by April 30 and file a detailed description of their customer communication protocols by July 1.
- Customers of SEMCO Energy Co. and Michigan Gas Utilities Corp. will be getting refunds of between \$12.85 and \$14.21 sometime between January and March 2024 due to action by the

Michigan Public Service Commission today.

## **Gubernatorial Appointments**

Gov. Gretchen WHITMER announced several appointments to boards and commissions today.

#### Michigan Board of Medicine

- Dr. Iltefat **HAMZAVI**, of Northville, is the president and a clinical specialist at Hamzavi Dermatology Specialist in Michigan. Hamzavi holds a Bachelor of Science and a Doctor of Medicine from the University of Michigan. His term starts Dec. 21 and ends Dec. 31, 2025. He succeeds Venkat **RAO**,who died.

The appointment is subject to the advice and consent of the Senate.

#### Crime Victim Services Commission

- Dr. Tolulope **SONUYI**, of Detroit, is an attending physician at the Detroit Receiving Hospital Department of Emergency Medicine, as well as the Sinai Grace Hospital Department of Emergency Medicine. He was reappointed. His term starts Dec. 21, and ends Sept. 27, 2026.

The appointment is subject to the advice and consent of the Senate.

#### **Human Trafficking Commission**

- Ben **O'HEARN**, of Grand Rapids, is the litigation director for Migrant Legal Aid in Grand Rapids. Additionally, he is the labor trafficking impact group co-chair for the West Michigan Human Trafficking Task Force and is the secretary for the North Kent Connect Board of Directors. His term starts Dec. 21 and ends March 1, 2025. He succeeds Judith **EMMONS**.
- Katie **PAPKE**, of Grand Rapids, is a therapist at Life Support Counseling and Coaching LLC. Her term starts Dec. 21 and ends March 1, 2025. She succeeds Kathleen **MAITLAND**.

The appointments are not subject to the advice and consent of the Senate.

#### Black Leadership Advisory Council

- Kelli A. **ELLSWORTH ETCHISON**, of East Lansing, is the chief marketing & diversity officer for Lake Area Federal Credit Union. She was reappointed. Her term starts Jan. 1 and ends Dec. 31, 2026.

- Michele **SAMUELS**, of Farmington Hills, is the vice president, general auditor, and compliance officer for Blue Cross Blue Shield of Michigan. She was reappointed. Her term starts Jan. 1 and ends Dec. 31, 2026.
- Michelle **SOURIE ROBINSON**, of West Bloomfield, is the president and CEO of the Michigan Minority Supplier Development Council. She was reappointed. Her term starts Jan. 1 and ends Dec. 31, 2026.
- Marshall **COLLINS** Jr., of Traverse City, is the Health and DEIB coordinator at Northwest Education Services. His term starts Jan. 1 and ends Dec. 31, 2026. He succeeds Robert **WOMACK**, who resigned.
- Christopher **BURTLEY**, of Flint, is the VP of Strategy and chief of staff to the CEO/Co-Chairman at D.C. United. He was designated chair of the Council.

The appointments are not subject to the advice and consent of the Senate.

#### Michigan Arts and Culture Council

- David **KRONBERG**, of Marquette, is the CEO and co-founder of Van Abel and Kronberg Design LLC, a design and leadership solution for businesses and government. His term starts Dec. 21 and ends Sept. 1, 2026.
- Alanna **MAGUIRE**, of Plymouth, is the senior accountant for RINA Consulting Incorporated. She is also the president of Fair Michigan Foundation, a nonprofit advocacy group for LGBTQ+ people and women in Michigan. Her term starts Dec. 21 and ends Sept. 1, 2026. She succeeds Ara **TOPOUZIAN**.
- Robert **WOMACK**, of Grand Rapids, previously served as a Kent County Commissioner and as cochair of the Black Leadership Advisory Council. Womack is also the general manager of Community Empowerment Radio Inc. and hosts his own radio show, which boasts a strong following in West Michigan. His term starts Dec. 21 and ends Sept. 1, 2024. He succeeds Deborah **MIKULA**, who resigned.
- Darryl **BROWN**, of St. Ignace, is retired from the Sault Ste. Marie Tribe of Chippewa where he served in a communications role until 2008. Brown has worked for countless grantfunded projects and organizations. He is a lifelong artist, writer, public speakerand event marketer. He was reappointed. His term starts Dec. 21 and ends Sept. 1, 2026.
- Anessa **KRAMER**, of Bloomfield Hills, is a partner and board member at Honigman, LLP. She is a member of the board of directors of The Jewish Fund, The Roeper School and the Jewish Federation of Metropolitan Detroit. She was reappointed. Her term starts Dec. 21 and ends Sept. 1, 2026.

- Cindy **MEYERS FOLEY**, Grand Rapids, is the director and CEO of the Grand Rapids Art Museum. Foley has developed two research studies with Harvard's Project Zero and regularly keynotes a variety of museum, art and education conferences. Her term starts Dec. 21 and ends Sept. 1, 2026. She succeeds Nheena **ITTNER**.

The appointments are not subject to the advice and consent of the Senate.

#### Michigan Council on Future Mobility and Electrification

- Derek S. **CAVENEY,** Ph.D., of Plymouth, is an executive engineer for Toyota's North American operations. He was reappointed. His term starts Dec. 21 and ends Oct. 22, 2027.
- Chris **NEVERS**, of Dundee, is the director of environmental engineering and policy at Rivian Automotive. He was reappointed. His term starts Dec. 21 and ends Oct. 22, 2027.

The appointments are not subject to the advice and consent of the Senate.

#### <u>Data Collection Agency Governing Board</u>

- Emily **MCDONOUGH**, of Williamston, is a deputy director with the Michigan Department of Labor and Economic Opportunity. She was reappointed. Her term starts Jan. 1 and ends Dec. 31, 2024.

The appointment is subject to the advice and consent of the Senate.

#### <u>Committee on the Purchase of Goods and Services from Community Rehabilitation Organizations</u> (<u>Set-Aside Committee</u>)

- Nathan **KAMMER**, of Swartz Creek, is a state administrative and grant manager in the division of Michigan Rehabilitation Services, a role he has had for over a year and has been with the department since 2010. His term starts Dec. 21 and ends March 31, 2024. He succeeds Melissa **POTTER**, who resigned.

The appointment is not subject to the advice and consent of the Senate.

#### <u>Michigan Veterans' Facility Authority Board of Trustees</u>

- Leon **BAUER**, of East China, is currently retired. Prior to his retirement, he served as the regional director of operations for Midwest Care Facilities. He is also a sergeant in the U.S. Army as well as a registered nurse. His term starts Dec. 21 and ends April 15, 2025. He succeeds Larry **YACHCIK**, who resigned.

The appointment is subject to the advice and consent of the Senate.

#### Michigan Developmental Disabilities Council

- Rosalie **AUSTIN**, of Holland, is a member of the Partners Advancing Self Direction (PAS) as well as the health disparities workgroup for MDHHS. Austin's term starts Dec. 21 and ends Sept. 30, 2027. Austin succeeds Bradley **RIVARD**.
- Iris **MEHLER**, of Midland, is the co-founder of 1in6 Consulting, which helps organizations create inclusive workplaces for caregiving employees. Her term starts Dec. 21 and ends Sept. 30, 2024. She succeeds Dennis **MATTHEWS**, who resigned.
- Angel **IRVIN**, East Lansing, has worked as a certified peer mentor for community mental health organizations. Her term starts Dec. 21 and ends Sept. 30, 2027. She succeeds Ericka **FLETCHER**.
- Belinda **HAWKS**, Fenton, is the director of quality management and planning for the Division of Adult Home and Community Based Services within the Department of Health and Human Services. Her term starts Dec. 21 and ends Sept. 30, 2027. She succeeds Price **PULLINS**.

The appointments are not subject to the advice and consent of the Senate.

#### Council on Climate Solutions

- Grace **MICHIENZI**, of Grand Rapids, is the senior director of policy at the Michigan Energy Innovation Business Council and Institute for Energy Innovation. Her term starts Dec. 21 and ends Feb. 3, 2027. She succeeds Ronald **VOGLEWEDE**, who resigned.

The appointment is not subject to the advice and consent of the Senate.

#### Michigan Infrastructure Council

- Palencia **MOBLEY**, Detroit, P.E. is the Midwest manager for the Environmental Innovation Policy Center and was formerly the deputy director and chief engineer of the Detroit Water and Sewerage Department. Mobley was reappointed. Mobley's term starts Jan. 1 and ends Dec. 31, 2026.

The appointment is not subject to the advice and consent of the Senate.

#### <u>Michigan Board of Nursing</u>

- Kimberly **LINDQUIST**, of Monroe, is the director of nursing operations at Eastern Michigan University. Her appointment starts Dec. 21 and ends June 30, 2027.

The appointment is not subject to the advice and consent of the Senate.

## On This Day In Michigan History

On Dec. 21, 1934, "Car 99," a police drama about law enforcement in northern Michigan, began filming in Hollywood. Actor Fred **MacMURRAY** plays officer Ross **MARTIN** of the Michigan State Police in the film. William **FRAWLEY** also has a role as the training Sergeant.

The movie was based on articles written in the Saturday Evening Post by Karl **DETZER**. And most of the action was set around Traverse City and a fictional village named Pine River. The plot involved a manhunt for a professor-turned-bank robber. After the movie was shot and released, the New York Times published a review, calling it one of the most thrilling films made in Hollywood.

Source: Michigan Day By Day