

# Karoub ASSOCIATES

Legislative Consultants: Government Affairs

## Session Begins

The 97<sup>th</sup> Session of the Michigan Legislature convened this month with the seating of 28 freshman legislators in the House of Representatives, including the return of two Democratic legislators who lost re-election bids in 2010. Democrats gained seats in the House this past November, but Republicans maintained control and Speaker Jase Bolger (R-Marshall) was re-elected by his colleagues to preside over a 59-51 Republican majority in the 2013-2014 session. The Senate will next be up for election in 2014, though a special election will be held this spring to fill a vacancy in the 27<sup>th</sup> Senate District created when former Senator John Gleason (D-Flushing) was elected Genesee County Clerk in November.

## Governor Gives State of the State Address

Governor Rick Snyder (R-Ann Arbor) laid out his agenda for 2013 in his January 16 State of the State address. The proposal likely to garner the most attention in the Governor's speech is his desire to secure additional funding for Michigan's road construction and maintenance needs. The Governor has suggested raising an additional \$1.2 billion for Michigan roads through a shift from the gas tax to a tax at the wholesale level, an increase in vehicle registration fees for light cars and trucks, and an optional local or regional registration fee to raise revenue that would stay with local units of government. Legislation was introduced this week in the Senate to create a framework for discussion of the Governor's proposal. Additionally, Senate Majority Leader Randy Richardville (R-Monroe) introduced an amendment to Michigan Constitution that, if approved by a 2/3 vote of the House and Senate, would put a two-cent sales tax hike earmarked for roads on the statewide ballot before voters as an alternative to the Governor's proposal.

The Governor also intends to convene a summit of Great Lakes Governors and Canadian Premiers in June to plan regional economic development and joint strategies for protection of natural resources & the environment.

## House Committees Announced

Speaker Bolger announced House Committee assignments on January 24. Of interest to the Michigan Waterfront Alliance, Rep. Andrea LaFontaine (R-Columbus) will chair the House Natural Resources Committee while Reps. John Bumstead (R-Newaygo) and Eileen Kowall (R-White Lake) will return as the respective chairs of the House Appropriations Subcommittees on Natural Resources and Environmental Quality.

## Sales Tax On the Difference Bills Move to Senate Floor

Senate Bills 89 and 90, authored by Senator Dave Robertson (R-Grand Blanc), would exclude from sales and use taxes the value of a trade-in used motor vehicle or titled watercraft. The bills

passed the Senate Finance Committee this week and will await action on the Senate floor during the first week of February. Similar legislation passed both the House and Senate in the last legislative session, but was not sent to the Governor's desk due to concerns from the Administration over the financial impact of the bills on the state budget.

#### BILL SPONSOR PARTY DESCRIPTION STATUS

HB 4095 Rep. Greg MacMaster R Convert certain watercraft violations from misdemeanors to civil infractions  
Referred to House Committee on Criminal Justice

HB 4096 Rep. Greg MacMaster R Exempt certain barges from lighting requirements Referred to House Committee on Regulatory Reform

HB 4106 Rep. Bob Genetski R Clarify allowable use of Michigan Natural Resources Trust Fund for dredging of Great Lakes Harbors Referred to House Committee on Natural Resources

HB 4122 Rep. Dian Slavens D Regulate exploration and operation of oil & gas wells in residential areas Referred to House Committee on Energy & Technology

SB 11 Sen. Tory Rocca R Establish sale prices as presumptive true cash value when a property is sold Referred to Senate Finance Committee

SB 25 Sen. Dave Hildenbrand R Revise appeal process for personal residence exemptions Referred to Senate Finance Committee

SB 78 Sen. Tom Casperson R Prohibit DNR designation of biodiversity areas Referred to Senate Natural Resources Committee

SB 84-88 Senate Republicans R Gas tax package Referred to Senate Appropriations Committee

SB 89 & 90 Sen. Dave Robertson R Provide for sales tax on the difference between trade-in and purchase price for motor vehicles & titled watercraft Senate Floor