



GRANHOLM SIGNS EARLY PRIMARY BILL

Governor Jennifer Granholm signed legislation (SB 624) moving Michigan's presidential primary to January 15th. The language cleared the House and Senate earlier this week after leaders of both parties reach an agreement.

The new statute enables the two major parties the option of holding a semi-closed election. If the Democratic Party goes forward with the January 15th primary date, some Democratic presidential candidates stated they will not campaign in Michigan, because the date violates national party rules.

U.S. Senators Barack Obama of Illinois, Hillary Rodham Clinton of New York, Joe Biden of Delaware and Chris Dodd of Connecticut, along with former U.S. Senator John Edwards of North Carolina and Mexico Governor Bill Richardson have all said they will not campaign in Michigan before the primary if the early date is selected. Governor Granholm stated, however, the names of all Democratic candidates would be on the January 15th ballot.

The deadline for candidates to appear on the ballot is September 11th. Ballots then must be printed by late November and distributed by early December.

Voters will have to declare which party's primary they wish to participate, prior to voting. The voting rules in this primary are somewhat different than the process used in the 1992 presidential primary. Voters were required to sign a declaration of party preference, which resulted in some voter backlash. On January 15th, voters will sign a statement stating which primary they wish to participate in.

In addition to setting an early primary date, the legislation also eliminates the regularly scheduled February

election date, removing that date for any possible recall elections against lawmakers who vote for tax hikes.

Some GOP presidential candidates may not campaign in Michigan as well.

ANTI-TAX GROUP FILES RECALL PAPERWORK

Michigan Taxpayers Alliance (MTA), led by former Representative Leon Drolet, filed necessary paperwork to recall petitions started against lawmakers in 10 districts.



Statements of organizations were filed in districts held by three Republicans and seven Democrats with House Speaker

Andy Dillon (D-Redford Twp.) leading the list.

Representative Drolet plans to file paperwork in lawmakers' districts that have refused to sign a pledge stating they will vote against a tax increase, if such a vote takes place.

BISHOP SUGGESTS A SALES TAX SCENARIO

Legislative leaders continue to grapple with wiping out an estimated \$1.8 billion shortfall in the 2008 fiscal year budget. Senate Majority Leader Mike Bishop (R-Rochester) recently proposed a ballot scenario that would boost the sales tax by a penny.

The proposal increases the sales tax to 7 cents on the dollar, but eliminates statutorily mandated revenue sharing.

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While the proposal raises roughly \$1.35 billion a year it will not be implemented in time to impact next year's budget. However, elimination of the revenue sharing immediately raises the General Fund by \$400 million, helping to erase the 2008 fiscal year budget deficit.

Under the proposal, all revenue sharing is constitutionally mandated, tying a percentage of the sales and use tax to local funding.

Two-thirds of the members in both the House and Senate must vote in favor of the proposal in order for it to be placed on the ballot.

A CHANGE IN TERM LIMITS?

With a January 15th presidential primary election, there are discussions regarding whether to propose an expansion of the State's term limit law on the ballot.

One proposal will allow lawmakers to serve a combined 14 years in the Legislature instead of the current maximum six years in the House and eight years in the Senate.

Another proposal, offered by the Michigan Chamber of Commerce, allows lawmakers to serve a total of 12 years in the Legislature; all in one chamber if they so choose. The Chamber's Capitol Reform Proposal also enacts legislative reforms requiring reduced pay for missed votes and prohibits lawmakers from going immediately from the Legislature into lobbying.

DOC SENTENCING REFORMS MAY BE DEAD

A Department of Corrections (DOC) draft plan requesting the Legislature to decrease 142 various felonies to one-year misdemeanors may be finished as a result of multiple murders in Lansing over the past month. The plan is part of 260 reforms the department is proposing as a way to trim costs.



The individual currently in police custody is alleged to have killed five women and assaulted a sixth and was paroled from prison in June. The same individual was originally imprisoned for committing a felony larceny, one of the crimes getting reduced sentencing under the administration's recommendations.

Senate Corrections Appropriations Subcommittee Chair Alan Cropsey (R-DeWitt) says as far as he is concerned, any substantive reforms that center around reducing sentencing guidelines "is dead."

ONLY MICHIGAN WORKERS FOR HOUSE DEMS

Companies hiring only Michigan workers receive State tax breaks and other economic tools under a plan recently unveiled by House Democrats.



The plan, called "Hire Michigan First," affects how the Michigan Economic Development Corporation (MEDC) distributes \$1.25 billion to developing companies each year.

The plan also applies to State contracts. Businesses with contracts for construction of State buildings would be required to hire 100 percent Michigan workers, an increase from the current 50 percent.

COURT DROWNS BALLAST WATER LAWSUIT

A lawsuit brought by shippers alleging a State law requiring ballast water be treated to kill invasive species violated their Constitutional right to property, was dismissed by the U.S. Eastern District Court.

Judge John Feikens disagreed with all claims put forth by the shipping companies; including the claim the State statute was invalid, because federal law supersedes state law.

Following the court ruling, Governor Jennifer Granholm sent a letter to all Great Lakes states governors and to the premiers of Ontario and Quebec, urging them to follow Michigan's lead in protecting the Great Lakes from aquatic invasive species by enacting legislation that regulates ballast water discharge from ocean-going ships.

GRANHOLM: EUROPEAN TRIP "MOST PRODUCTIVE"

Governor Jennifer Granholm called her recent trip to Europe an investment mission that was "most productive and promising."

She said her trip resulted in 203 new jobs for Michigan with more than \$10 million in additional investments by some European companies who already have operations in the State.

Now, with 1,500 Michigan jobs on the line, Governor Granholm is scheduled to meet this month with Volkswagen officials in an effort to convince the German car company to keep its U.S. headquarters in Auburn Hills. Two German publications recently reported that VW is considering relocating to the East Coast.

POLL: MICHIGAN HEADED THE WRONG WAY

A recent statewide survey shows nearly 80 percent of Michigan residents believe the State is headed in the wrong direction.

In the survey, conducted by Lansing-based EPIC/MRA, a total of 78 percent said "wrong track." On a party-line basis, 66 percent of Democrats said Michigan is headed in the wrong direction compared to 90 percent of Republicans.

According to pollster Ed Sarpolus, the number of wrong-track answers increased by 40 percent over the last four years.

For the nation as a whole, 74 percent of State residents said the country is headed in the wrong direction compared to 36 percent four years ago.

The poll also showed unemployment is the top concern of state residents followed by the economy.

TOPLESS BAR RULING

The 6th Circuit Court of Appeals sided with a St. Claire Shores bar, awarding the establishment a temporary injunction against a statewide ban on nude dancing.

The federal court ruled the State failed to successfully argue why the Liquor Control Commission (LCC) should be allowed to limit a person's First Amendment right to express oneself through nude dancing.

Since some communities have local bans on full nudity, the decision does not open the door for nude dancing statewide, but until the case is settled in court, certain clubs may offer nude dancing.

CAN YOU HEAR ME NOW?

If the House dials up the controversial telephone tax, any ringing endorsement from the Democrat-controlled House may fall on deaf ears in the Republican-controlled Senate, according to Senate Appropriations Chair Ron Jelinek (R-Three Rives).



Some law enforcement agencies believe an additional per-line telephone charge is the way to pay for lab technicians, police training and more state troopers. Other portions of the police community agree with Jelinek, in that a phone tax is not the way to handle this.

ISIOGU TO CHAIR MPSC

Governor Jennifer Granholm appointed Orjiakor Isiogu to Chair the three-member Michigan Public Service Commission (MPSC). Mr. Isiogu, who was head of the MPSC's telecommunications division, replaces Laura Chappelle, who resigned in June. He will serve until July 2, 2013.

Mr. Isiogu's appointment is still subject to Senate confirmation.