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UPDATES FROM THE CAPITOL **October 3 - November 15, 2024**

NEW LEADERSHIP IN THE MICHIGAN HOUSE: HALL TO SERVE AS SPEAKER, PURI ELECTED MINORITY LEADER

Rep. Matt Hall (R-Richland) has been selected by his Republican colleagues to serve as the next Speaker of the Michigan House of Representatives for the 2025-2026 term. With Republicans holding a 58-52 majority, Hall, currently the Minority Leader, will lead the chamber during a pivotal period where Democrats will continue to hold majority in the Senate and Governor's Office. Hall has had a steady record of keeping his caucus unified.

Meanwhile, House Democrats are looking ahead to a new chapter of leadership under Rep. Ranjeev Puri (D-Canton), who has been elected as the next Minority Leader. Aiming to foster unity within the party, Puri's leadership comes after current Democratic Speaker Joe Tate announced he will not be seeking another term. Puri, a member of the legislature since 2020, has emphasized the importance of collaboration and strategic decision-making within his caucus. As Minority Leader, he is focused on reshaping the caucus culture and working across the aisle with the Republican majority, all while preparing for future campaigns to regain the Democratic trifecta in Michigan.

ELECTION RECAP: TRUMP TAKES MICHIGAN, SLOTKIN WINS U.S. SENATE SEAT, HOUSE GOP SEIZES MAJORITY

Former President Donald Trump achieved a decisive victory in Michigan, winning 49.7% of the vote and flipping key Democratic counties. This marks his comeback to the presidency, outperforming his 2020 numbers by securing more support in areas like Wayne and Macomb counties, which showed substantial shifts toward Republicans. Trump's 2024 Michigan win represents a more commanding margin than his slim victory in 2016, with a 9-point pickup in Wayne County and a 6-point increase in Macomb.

Republicans also seized control of the Michigan House of Representatives, winning a 58-52 majority and breaking the historic Democratic trifecta that was achieved in 2022. Key victories included flipping the seats of four Democratic incumbents:

1. Rep. Nate Shannon (Sterling Heights, District 58) will be replaced by Rep.-elect Ron Robinson
2. Rep. Jim Haadsma (Battle Creek, District 44) lost to Rep.-elect Steve Frisbie
3. Rep. Jaime Churches (Wyandotte, District 27) will be succeeded by Rep.-elect Rylee Linting
4. Rep. Jenn Hill (Marquette, District 109) was upset by Rep.-elect Karl Bohnak

However, in the U.S. Senate race, Congresswoman Elissa Slotkin prevailed against Republican challenger Mike Rogers, making history with Michigan's closest Senate race to date. Slotkin's

victory was a standout for Democrats, who faced steep competition amidst a red surge statewide. The swing state surprised many when former state Senator Curtis Hertel was defeated by his Republican opponent and former colleague, Senator Tom Barrett, for a seat in the U.S. House of Representatives. Other notable results in the U.S. House include incumbent Hillary Scholten and current state Senator Kristen McDonald Rivet both overcame their Republican contenders for spots in the 3rd and 8th districts, respectively.

MICHIGAN TAX REVENUES SURPASS PROJECTIONS IN SEPTEMBER 2024

In September, the state's major tax revenues and net lottery earnings reached \$3.7 billion, marking a 1.7% increase over September 2023 and exceeding the Senate Fiscal Agency projections by \$106.1 million. The General Fund saw tax collections surpassing projections by \$165 million, while School Aid Fund collections fell \$60 million short of expectations. Overall, fiscal year-to-date revenue for the General Fund stands \$475.4 million above forecasts, and the School Aid Fund is \$66.7 million over target.

Key Highlights:

- Individual Income Tax: Up 20.2% year-over-year, with record breaking withholding collections at 20.6% above last year.
- Corporate Income Tax (CIT): Surpassed predictions by \$42.2 million, despite a 7.8% year-over-year decline.
- Sales and Use Taxes: Sales tax dropped 5.1% from last year, falling \$4.7 million below the forecast, while use tax grew 11.6% but remained \$8 million below predictions.
- State Education Tax (SET): Down 18.6% year-over-year and \$86.2 million under predictions.
- Overall, Michigan is showing strong fiscal performance driven by higher-than-expected income and corporate tax collections, with some under-performances in education-related revenues and lottery earnings.

GOVERNOR ANNOUNCES 27,000 NEW JOBS IN MICHIGAN FOR FISCAL YEAR 2024

Governor Whitmer touted Michigan's strong job growth with the addition of 27,000 jobs in Fiscal Year 2024, signaling ongoing economic expansion. The construction sector reached a two-decade high, employing over 200,000 people, while Michigan's labor participation rate rose above 62%—its best level since 2009. Key data from the Department of Technology, Management and Budget (DTMB) shows Michigan's unemployment rate at 4.5%, with average manufacturing wages up 5% year-over-year, outpacing inflation.

The Governor has pursued several initiatives to fuel this growth, including \$21.3 billion in clean energy and battery projects, a \$500 million Make it in Michigan Fund, and a new Innovation Fund to foster local businesses. These efforts have contributed to Michigan's leadership in the auto and clean energy sectors, record construction employment, and rapid small business growth, making the state a top performer in job creation and business climate.

GOVERNOR WHITMER SIGNS 17 SENATE BILLS INTO STATE LAW

Governor Whitmer signed 17 bills into law aimed at expanding healthcare access, supporting workers' rights, assisting Michigan families, and investing in outdoor recreation. Key initiatives include unionization rights for home care workers, rural healthcare funding, and anti-discrimination protections. Below is a summary of each bill:

- [SB 790](#) and [SB 791](#): Allows 35,000 home help workers in Michigan to unionize, enabling them

to negotiate for better wages, benefits, and professional development opportunities.

- **SB 701**: Expands healthcare access by redefining “rural hospital” to include counties with populations up to 195,000, allowing more hospitals to qualify for funding.
- **SB 817**: Allocates funds from the Michigan Natural Resources Trust Fund (MNRTF) for 18 land acquisition projects and 35 development projects, supporting outdoor recreation.
- **SB 351**: Expands anti-discrimination protections for breastfeeding parents, allowing them to pump in public settings.
- **SB 150**: Permits the Michigan Tax Tribunal’s small claims division to conduct virtual hearings, improving access by reducing travel-related costs and time for participants.
- **SB 366**: Aligns Michigan’s natural gas safety violation fines with federal standards, increasing accountability for gas providers and enhancing public safety.
- **SB 744**: Modifies requirements for teachers to complete their probationary employment period successfully.
- **SB’s 926, 931, 933, and 934**: Increases funding by \$4 million per year for Michigan’s gaming and gambling prevention programs, with a focus on youth intervention and responsible gaming.
- **SB 928**: Removes a clause in Medicaid to ensure full coverage of birth expenses for approximately 66,000 unwed births, reducing costs for single mothers.
- **SB 929**: Redirects Medicaid funds to broaden access to a range of care centers, increasing healthcare access for low-income Michiganders and supporting healthcare workforce development.
- **SB 932**: Extends access to cash assistance under the Family Independence Program (FIP) from 48 to 60 months, providing additional support to Michigan families.
- **SB 935**: Sunsets the Raise the Age Fund, part of a broader initiative to keep minors under 17 in juvenile facilities rather than adult correctional facilities.
- **SB 716**: Allows owners of historical vehicles to obtain personalized license plates, celebrating Michigan’s automotive heritage.

FEDERAL COURT REJECTS RNC LAWSUIT ON MICHIGAN VOTER REGISTRATION

A federal judge has dismissed a lawsuit filed by the Republican National Committee (RNC) against Michigan’s Secretary of State Jocelyn Benson and Director of Elections Jonathan Brater, which alleged issues with Michigan’s voter registration database under the National Voter Registration Act (NVRA).

U.S. District Judge Jane Beckering ruled that the RNC lacked standing and found the claims unfounded, highlighting that the RNC’s calculations were inaccurate and did not support their assertions of an overpopulated voter registry. Judge Beckering emphasized that the NVRA aims to balance electoral integrity with the protection against voter disenfranchisement, a principle the lawsuit failed to uphold.