MCALVEY MERCHANT & ASSOCIATES CAPITOL NEWS UPDATE

March 24, 2017

CAPITOL NEWS UPDATE WEEK OF MARCH 20, 2017



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MICHIGAN BRACES FOR AMERICAN HEALTH CARE ACT REFORMS

Clarifying his position on the proposed federal American Health Care Act, Gov. Rick Snyder this week said that although he has criticized the reforms in two recent letters to Congress, he is not completely opposed the legislation, which is backed by U.S. House Republicans and President Donald Trump.

Snyder has released two letters regarding the AHCA, one with three other Republican governors to congressional leaders, and one to Michigan's 16 congressional members. The critical letters outlined Snyder's major concerns and gave suggestions for an alternative.

The letters said the proposed House Republican health care bill did not meet key tests of what a health care bill should be, and encouraged them to consider alternatives for handling Medicaid. One of Snyder's key criticisms of the proposed legislation is that it reduces federal resources states use to fund Medicaid and the Healthy Michigan Plan. Snyder said he believes Medicaid reform is necessary, but that it should be "approached deliberately to ensure that state flexibility and innovation are valued,

Michigan providers remain strong, and our most vulnerable citizens do not fall through the cracks." Snyder's focus is on giving States the ability to create a Medicaid program that fits their population, as long as they achieve required outcomes.

LEGISLATURE PREPARES TO TACKLE OPIOID ABUSE

A group of bipartisan lawmakers, along with Gov. Snyder have introduced a new set of legislative proposals this week to combat the growing problem of opioid abuse in Michigan.

Drug overdose deaths continuing to increase sharply in Michigan, with opioids, including heroin, causing most of the 1,981 drug overdose deaths in the state during 2015.

Differing from previous state laws enacted to address the addictions, the current package focuses the pattern of heroin addiction that starts when someone is prescribed a painkiller, becomes addicted, and then switches to heroin.

According to Gov. Snyder, in 2007, 180 million units of opioid pain killers were prescribed in the state. In 2016, that soared to 690 million.

Along with the governor's Prescription Drug and Opioid Abuse Task Force formed in 2015, legislative work on the issue has included Good Samaritan legislation and expanded access to Naloxone, a drug that can reverse effects of Heroin.

The new proposals focus on prescription drugs, including:

- Requiring prescribers to use the new Michigan Automated Prescription System, set to launch in April, before prescribing or dispensing Schedule 2 through 5 controlled substances with sanctions for violators.
- Increasing penalties for physicians and pharmacists who wrongly prescribe, dispense, manufacture or distribute controlled substances.
- Ensuring prescribers have a bona fide physician-patient relationship with a patient before prescribing a Schedule 2 through 5 controlled substance.
- New prescribing limits on opioids for chronic and acute pain sufferers.
- Requiring parental consent for minors the first time they received a prescription for an opioid.
- A series of bills increasing efforts to educate students on the dangers of opioid medications.

Gov. Snyder also said that although the legislation is important to this "crisis situation," Michiganders need to "improve our culture."

"I can't tell you today we're winning," Mr. Snyder said. "Many good things are going on, but to be blunt, it's not enough."

RETAILERS OPPOSE BORDER TAX ADJUSTMENTS

Retailers in Michigan this week urged the state's congressional delegation to oppose any effort to create a federal border adjustment tax because it would "kill jobs" and "attack customers' wallets."

Although not yet proposed in Congress, the tax has been discussed as a possible part of a federal tax overhaul supported by President Donald Trump that would keep the national deficit at a standstill, while allowing major cuts to business tax rates and other taxes.

If enacted, the tax would add a tax to goods manufactured outside of the United States. Proponents say this would partially make up for the cost differential between American-made products and those made outside of the U.S.

Supporters also say it could help spur domestic production. Opponents say that currently, products manufactured in the U.S. involve many parts produced overseas, which means that it could add to the cost of domestically produced products. There is also concern that other nations might see the tax as an unfair tariff.

The Michigan Retailers Association and the Michigan branch of Americans for Prosperity both oppose the tax, with the Retailers saying that U.S. consumers would pay an estimated \$1 trillion more for goods over the next decade if the tax is put into place.

MM&A BRIEFS

Group sues to stop private schools from getting state money

Calling the \$2.5 million earmarked in the current budget a "backdoor voucher," a coalition of education and parent groups filed a lawsuit this week to prevent the state from reimbursing private and parochial schools for expenses related to health and safety mandates.

The group argues that the reimbursements to the schools are unconstitutional and provide a potential opening to covering more costs for private schools. The \$2.5 million in the current budget covers costs for state requirements for private schools that are non-instructional.

Former deputy press secretary for Snyder heads to Washington

Gov. Rick Snyder's deputy press secretary, Josh Paciorek has left Snyder's office to join former Snyder Chief of Staff Jarrod Agen in Washington, D.C. as Vice President Mike Pence's deputy press secretary. Agen currently serves as a top aide to Pence.

Tanya Baker has been named Gov. Snyder's new deputy press secretary. She was previously a staff member of the Department of Licensing and Regulatory Affairs.

Calendar of Important Events

March 28 Rep. Edward Canfield (R- Sebewaing) fundraiser Location: 8 a.m., Michigan Beer & Wine Wholesalers, Lansing

> Rep. Kristy Pagan (D-Canton) fundraiser Location: 8:30 a.m., 208 North Capitol Avenue, 1st Floor, Lansing

Eastern Michigan University Legislative Day Location: 11:30 a.m., Capitol Building, Lansing

Rep. Jim Ellison (D-Royal Oak) fundraiser Location: 11:30 a.m., Michigan Health & Hospital Association, Lansing

Secretary of State Ruth Johnson (R) fundraiser Location: 11:30 a.m., Michigan Beer & Wine Wholesalers, Lansing

University of Michigan Wolverine Forum on Detroit Schools Location: 11:30 a.m., Michigan Municipal League, Lansing

Rep. Joe Bellino (R-Monroe) fundraiser Location: 5 p.m., Michigan Beer and Wine Wholesalers Association, Lansing

March 29 Rep. Triston Cole (R-Mancelona) fundraiser Location: 7:30 a.m., Kelley Cawthorne, Lansing

> Rep. Steve Marino (R-Harrison Twp.) fundraiser Location: 8 a.m., Michigan Beer & Wine Wholesalers, Lansing

Rep. Thomas Albert (R-Belding) fundraiser Location: 8 a.m., Michigan Municipal League, Lansing

Rep. Leslie Love (D-Detroit) fundraiser Location: 8:30 a.m., McAlvey-Merchant Loft, Lansing

Americans for Prosperity Citizen Day at the Capitol Location: 9 a.m., Mackinac Room, Anderson House Office Building, Lansing

Rep. Erika Geiss (D-Taylor) fundraiser Location: 11:30 a.m., Michigan Beer and Wine Wholesalers Association, Lansing

Rep. Robert Kosowski (D-Westland) fundraiser Location: 11:30 a.m., Michigan Municipal League, Lansing

Sen. Vincent Gregory (D-Southfield) fundraiser Location: 11:30 a.m., Karoub Associates, Lansing

Rep. Darren Camilleri (D-Brownstone Township) fundraiser Location: 12 p.m., Michigan Health & Hospital Association, Lansing

March 30 Rep. Curt VanderWall (R-Ludington) fundraiser Location: 7:30 a.m., Governors Room, Karoub Associates, Lansing

> Rep. Holly Hughes (R-Montague) fundraiser Location: 7:30 a.m., Michigan Municipal League, Lansing

Rep. Mary Whiteford (R-Casco Twp.) fundraiser Location: 7:30 a.m., Glazed and Confused, Lansing

Rep. Scott Dianda (D-Calumet) fundraiser Location: 7:30 a.m., Michigan Health & Hospital Association, Lansing

Rep. John Kivela (D-Marquette) fundraiser Location: 10 a.m., Governors Room, Karoub Associates, Lansing