



## AROUND THE DOME

The state budget is no closer to being resolved this month as both camps are becoming more strident in their positions. With the Republicans wanting more cuts and the Democrats seeking new revenue the situation seems quite fluid. The following is some of the issues that are making noise in Lansing:

- Legislative leaders and the Governor are closing the gap over the General Fund budget targets and are within \$80 million according to the MIRS Capitol news service

House Speaker Andy Dillon believes that the leaders are making progress, but while they are close on the General Fund resolution, it's quite another story for spending "below the line in the restricted funds."

- Senate Majority Leader Mike Bishop complained that Gov. Jennifer Granholm and House Democrats came to the negotiating table this week without revealing their total plan for the budget.

Senate Republicans passed a plan that cut \$1.7 billion from the budget with \$1.3 billion in cuts to K-12 education, Promise college scholarships and social service programs. Senator Bishop stated that its time for the Democrats to show their cards.

- Senate Finance Committee Chair, Nancy Cassis has expressed serious concerns about the effectiveness of the Michigan Economic Growth Authority (MEGA). A bill that would increase the yearly credits for the current 400 to 500 and the high-tech agreements from the current 50 to 75 is pending in the Senate Finance Committee chaired by Sen. Nancy Cassis. Senator Cassis would like to reduce the revenue spent on the MEGA program to help fund the elimination of the Michigan Business Tax surcharge. The Governor predicts that the state's unemployment rate would continue to increase if the bill was not passes.
- Michigan is once again looking at retirement cost of state employees as a way of reducing the long term cost of government. As states across the country are facing budget deficits and unfunded liabilities, they're cutting benefits and forcing workers to pay more. Last week House Speaker Andy Dillon introduced a plan that would combine all state employee health plans into one large plan as a way of saving money through the economies of scale. Although the plan was quickly attacked by both employee unions and business organizations. One for eliminating the bargaining rights of workers and the other for eliminating competition and choice.

The "Around the Dome" newsletter is written monthly by BOMA's Michigan lobbying firm Scofes & Associates Consulting (S&A) for BOMA members to be aware of key issues in Lansing. In addition, S&A is monitoring top issues identified by the Government Affairs Committee. If you have comments on the newsletter or BOMA issues, please direct them to GAC Chairs Gregory McDuffee at [Gregory\\_McDuffee@DWJBA.com](mailto:Gregory_McDuffee@DWJBA.com), John Sier at [John.Sier@Kitch.com](mailto:John.Sier@Kitch.com) or Janet Langlois at [JLanglois@bomadet.org](mailto:JLanglois@bomadet.org). We welcome your comments and questions on BOMA advocacy issues.