

WEEKLY **UPDATE**

March 26, 2021



Governor Whitmer Announces 21 Rebuilding Michigan Road Projects

Governor Gretchen Whitmer announced this week the first 21 state highway projects starting throughout the state as part of the 2021 Michigan Department of Transportation construction season. These projects are a blend of those previously funded through the department's budget, as well as several supported by the Rebuilding Michigan bonding program.

The Rebuilding Michigan plan is financed without an increase at the gas pump, and it'll help jump start our economy by creating thousands of good-paying construction jobs. As we get into the spring and summer, you will see more work going on as we move quickly to make up for decades of under investment in infrastructure. Let's get to work and let's get it done."

Gov. Gretchen Whitmer's **Rebuilding Michigan program** is focused on rebuilding the state highways and bridges that are critical to the state's economy and carry the most traffic. The investment strategy is aimed at fixes that result in longer useful lives and improves the condition of the state's infrastructure.

"Michigan has needed real, sustained investment in our roads and bridges – and the jobs that investment creates – for far too long," said Operating Engineers 324 Business Manager Douglas Stockwell. "Governor Whitmer's Rebuilding Michigan plan finally addresses this issue, and puts our highly skilled, safety-trained members to work doing what we do best: fixing the roads and bridges to keep Michigan running. Good roads benefit communities and good jobs stimulate the economy. This investment creates both. The men and women of Operating Engineers 324 will continue to answer the call."

As Gov. Whitmer requested, the State Transportation Commission (STC) in January 2020 authorized MDOT to issue \$3.5 billion in bonds over four years to finance infrastructure improvements, under authority granted by the Michigan Constitution and Public Act 51 of 1951. Funding raised through bond sales will finance 49 new projects throughout the state, and frees up funding already dedicated to those project for roughly 120 other projects, expanding the scope of that work or advancing project schedules.

MDOT sold a first \$800 million package of bonds in September 2020. The very favorable market reaction resulted in a premium as the sale generated nearly \$1.1 billion in proceeds. Strong bond ratings from S&P and Moody's rating agencies reflected the dedicated revenues stream of fuel taxes and vehicle registrations to repay investors, as well as the STC's policy to limit MDOT's debt service to 25 percent of revenues.



Gov. Whitmer retries 17 appointments to state agencies that Senate previously blocked

Gov. Gretchen Whitmer made 17 appointments Thursday to various state agencies and commissions, all of which were previously blocked by the Michigan Senate.

The appointment news starts another 60-day timeline for the Senate to review Whitmer's selections, as she has the authority to appoint people to hundreds of state board and commission positions. The upper chamber has that time to reject certain appointments by majority vote in a process known as advice and consent.

Senate Majority Leader Mike Shirkey, R-Clarklake, has said that the previous slew of rejections were a **"political gesture"** to urge changes in COVID-19 restrictions. The Senate historically has not blocked these routine appointments, but Whitmer's appointees have faced more scrutiny. In February 2020, the Senate voted to reject two appointments to the Natural Resources Commission, **Anna Mitterling** and **George Heartwell**. The recent adversarial trend stopped two days ago, as the Senate **opted to not block the appointment of Elizabeth Hertel** to lead the state's Department of Health and Human Services.

In fact, Shirkey voted to approve Hertel's appointment, which the Senate did by an 18-16 margin. This was not a majority vote, but by motioning to approve the nomination rather than disapproving, the Senate committed to allowing Hertel to continue as MDHHS director.

Whitmer's second string of appointments are:

- Ronald Campbell to the Barrier Free Design Board
- Kristin Totten to the Child Abuse and Neglect Prevention Board ("Children's Trust Fund")
- Richard Corriveau to the Michigan Civil Rights Commission
- Gabriella Abel to the Michigan Board of Cosmetology
- Emily McDonough to the Data Collection Agency Governing Board
- Mikyia Aaron and Noreen Myers to the Grand Valley State University Board of Trustees
- Terry Gilligan and Dennis Mowbray to the Board of Mechanical Rules
- James Pearson to the Michigan Public School Employees' Retirement System Board
- Thomas Baird and David Cozad to the Michigan Natural Resources Commission
- Jason Morgan to the Northern Michigan University Board of Trustees
- Erin Kricher to the Rural Development Fund Board
- Amy Cox to the Michigan Travel Commission



- Andrea Dickson to the Michigan Technological University Board of Trustees
- Suzanne Shkreli to the Director of the Office of Children's Ombudsman

Each of these individuals were previously appointed by Whitmer and subsequently blocked by the Michigan Senate. The Senate also blocked the appointment of Cheryl Kobernik to the Commission of Agriculture and Rural Development in a Jan. 27 vote.

Michigan House approves wide-ranging health care reforms aimed at lowering costs

State lawmakers approved more than a dozen bills Wednesday aimed at lowering prescription drug and health care plan prices over the objections of multiple insurance and business groups.

Most of the 15 bills passed with wide bipartisan support during the Michigan House session on Wednesday, March 24. They now head to the Senate for consideration. The legislative package was introduced **last month** to curb “skyrocketing” costs, improve transparency in the price-setting process and expand coverage in multiple areas.

Read more: [Michigan House package aims to curb ‘skyrocketing’ prescription drug, health care costs](#)

A large portion of the reforms seeks to regulate pharmacy benefit managers, which are companies that manage prescription drug benefits for health insurers and other payers. These PBM groups, sometimes referred to as “middlemen,” would see the following restrictions:

- Prohibition from imposing fees on local pharmacies for past prescription sales
- A ban on the practice of “spread pricing,” or when PBMs receive a higher reimbursement from health plans and payers for generic drugs than what the PBMs actually paid pharmacies for the same drugs.
- Mandatory transparency reports both quarterly and annually, with the annual report detailing information on how the cost of drugs was determined throughout the price-setting process.
- A ban on PBMs stopping pharmacies from disclosing the current price of a prescription medication.

The bills have been the results of a four-year collaboration between Wentworth and the Michigan Pharmacy Association, said association CEO Mark Glasper.



Friday, March 26, coronavirus data by Michigan county: 37 counties now over 10% positivity rate

Michigan now has 37 of its 83 counties with a positivity rate over 10% as a seven-day average on coronavirus diagnostic tests. That number has more than doubled in the past week.

Fourteen of those counties are over 15% and six -- including Lapeer and St. Clare -- are now over 20%.

Statewide, the seven-day positivity rate on coronavirus diagnostic tests has gone from 6.4% to 9.6% in the past week. The one-day rate was 9.8% for test results reported on Thursday.

KJL's Latest Podcast



Please enjoy viewing KJL's latest podcast *A Key to the Inside* our guest was State Budget Director Dave Massaron

<https://youtu.be/IaCbYaTVCmo>

**The Michigan Legislature is on spring recess for the next two weeks.
They will resume session on Tuesday, April 13.**





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Additional Resources

- www.michigan.gov/coronavirus.com
- www.michigan.gov/ag
- www.cdc.gov/coronavirus.com
- www.michiganbusiness.org

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