

Lame Duck

KEY DEVELOPMENTS



Dykema



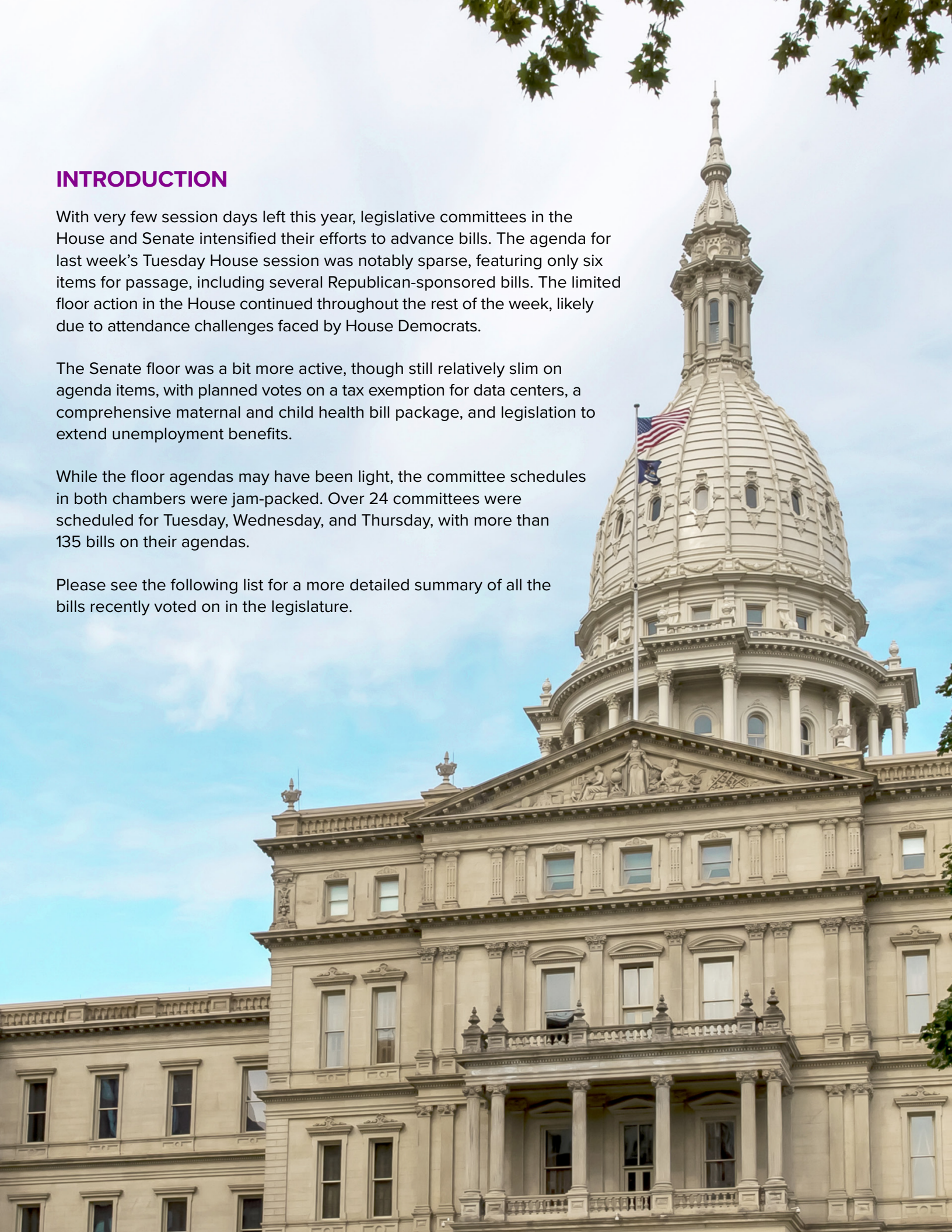
INTRODUCTION

With very few session days left this year, legislative committees in the House and Senate intensified their efforts to advance bills. The agenda for last week's Tuesday House session was notably sparse, featuring only six items for passage, including several Republican-sponsored bills. The limited floor action in the House continued throughout the rest of the week, likely due to attendance challenges faced by House Democrats.

The Senate floor was a bit more active, though still relatively slim on agenda items, with planned votes on a tax exemption for data centers, a comprehensive maternal and child health bill package, and legislation to extend unemployment benefits.

While the floor agendas may have been light, the committee schedules in both chambers were jam-packed. Over 24 committees were scheduled for Tuesday, Wednesday, and Thursday, with more than 135 bills on their agendas.

Please see the following list for a more detailed summary of all the bills recently voted on in the legislature.



EXPECTED ITEMS IN THIS WEEK'S SESSION

Funding

Governor Gretchen Whitmer and House Republican Leader Matt Hall met one-on-one and discussed a potential long-term road funding solution that could be passed during the last remaining days of the lame-duck session. On Thursday, House Democrats introduced three new bills aimed at increasing revenue for Michigan roads. Road funding is an item that is highly likely to make its way onto the agenda this week.

Also, all 15 public universities in Michigan urged the legislature to allocate supplemental funds for higher education during the lame-duck session. They are not alone in this request, as many other stakeholders across the state are also advocating for supplemental funding from the legislature. It is possible that a supplemental funding proposal could emerge during the next couple of days of session.

Paid Sick Leave and Restoring the Tipped Credit

Republican Leader Hall stated that he is actively working behind the scenes to advance legislation to preserve the state's tipped wage for waitstaff and adjust the paid sick leave reforms set to take effect in February 2025. There are several pending legislative proposals in the House and the Senate related to this matter. Republican Senator Albert has introduced two bills ([SB 991](#) & [SB 992](#)) to keep the state's current policy on paid sick leave in place. In the House, Representatives Filler and Shannon have also introduced bills ([HB 6056](#) & [HB 6057](#)).

Supporters and opponents of potential changes continued to voice their positions. Last Thursday, the United Auto Workers made a statement opposing legislation to change the voter-initiated paid sick time law.

Water Affordability Program

([SB 549](#), [SB 550](#), [SB 551](#), [SB 552](#), [SB 553](#), [SB 554](#), [HB 5088](#), [HB 5089](#), [HB 5090](#), [HB 5091](#), [HB 5092](#))

Proponents of a first-of-its-kind water affordability program in Michigan—funded by a monthly charge on customers—are continuing their support in lame duck with an updated version that keeps fee revenue in the region it came from.

The “Low-Income Water Affordability Fund” would be funded by \$2 monthly retail charges by water utilities for all customers. The state's health department will oversee the fund, prioritizing homes at or below 200 percent of the federal poverty level. For a family of four, that is \$62,400 or less a year. For a two-person family, it is a yearly income of \$40,880 or less.

The package of bills is expected to see action soon.

Auto Insurance No Fault Bills ([SB 530](#), [SB 531](#))

Chairwoman Brenda Carter has commented that it is possible that no-fault insurance bills could come before the House Insurance and Financial Services Committee this week. The bills she referenced have been stalled in the House for some time despite their approval in the Senate last year.

Workers' Compensation Bills ([SB 1079](#), [SB 1080](#))

The Senate Labor Committee held a hearing on several bills proposed to make changes to Michigan's workers' compensation law. During the hearing, there was significant pushback from business organizations who opposed the bills. The committee did not vote on the bills because they were short on legislators in attendance. The committee will likely reconvene and vote out these bills this week.



RECENT LEGISLATIVE ACTION

Organized by subject matter, bills voted on the floor are listed prior to bills voted out of committees.

BOARDS AND COMMISSIONS

Black Leadership Advisory Council (SB 840) – passed out of the Senate, 33-3 vote

Establishes the “Black Leadership Advisory Council Act,” creating the Black Leadership Advisory Council (BLAC).

The council’s responsibilities would include developing, reviewing, and recommending policies to the Governor aimed at eliminating discrimination and racial inequity in areas such as healthcare, housing, education, employment, economic opportunity, public accommodations, and procurement. Additionally, the council would serve as a resource for community groups on issues, programs, funding sources, and state compliance to benefit the Black community.

It would also provide advice or take actions as requested by the Governor.

CONSUMER PROTECTION

Consumer Protection Act (SB 1022) – passed out of the Senate, 20-16 vote

Amendment to the Michigan Consumer Protection Act removes specific protections for more than 80 business trades and professions that are already governed by state licensing laws, potentially exposing them to frivolous and damaging lawsuits.

Personal Data Privacy Act (SB 659) – *voted out of the Senate Finance Committee*

Establishes consumer rights regarding the collection and use of personal data. Key provisions include:

1. **Consumer Consent and Privacy Notice:** Data collectors must obtain consumer consent before processing personal data and provide a notice explaining the purpose of the processing.
2. **Exclusions:** The bill does not apply to state agencies, medical data governed by HIPAA, or certain other types of data.
3. **Enforcement:** The Attorney General and consumers can initiate civil actions for violations.
4. **Data Broker Registry and Funds:** The bill creates a Data Broker Registry and two funds to support its administration.

HIGHER EDUCATION

MI Reconnect Program (SB 406 & SB 407) – *passed out of the Senate, 29-7 vote*

Lowers the age eligibility for Michigan Reconnect grants and skills scholarships under the Reconnect Short-Term Training Program from 25 to 21, effective until September 30, 2032. However, grants and scholarships would still be prioritized for applicants aged 25 and older, as long as sufficient funds are available for them.

HEALTH

Mental Health Package (SB 915, SB 916, SB 917, SB 918) – *passed out of the Senate, 36-0 vote*

SB 915: Proposes several changes related to assisted outpatient treatment (AOT) for individuals with mental health issues. It requires a patient to be referred to a community mental health services program if a psychiatrist certifies the need for AOT. It also expands the types of health professionals who can testify about a patient's need for AOT and changes the duration of second and third consecutive court orders for involuntary treatment. Additionally, it allows a court to convene a compliance review conference without a hearing and allows a peace officer to take an individual into protective custody for mental health examination if there is reasonable cause.

SB 916: Allows a physician, psychologist, or qualified health professional who has personally examined an individual to testify that the individual needs assisted outpatient treatment (AOT). It also permits a prosecuting attorney, defendant, or defense counsel to request an assessment to determine if a defendant qualifies for misdemeanor diversion to AOT, either at the time of the misdemeanor charge or before trial. The bill requires a petition for diversion to AOT to be dismissed if the prosecuting attorney or defendant objects. A court can order AOT diversion for up to 180 days and modify it if the defendant fails to comply, potentially diverting to inpatient care. Misdemeanor charges will remain pending during AOT diversion and be dismissed upon successful release from AOT.

SB 917: Allows individuals who can file a petition for mental health treatment to request mediation to resolve disputes with the community mental health services program regarding service planning and support. Additionally, if a court orders an individual to receive mental health services due to a petition, the bill would require a hospital to detain the individual for up to 24 hours.

SB 918: Allows a hospital director, agency, physician, psychologist, qualified mental health professional, or individual to file a petition for a second or continuing order of involuntary mental health treatment at least 14 days before the expiration of the current assisted outpatient treatment (AOT) order, if the individual is likely to refuse voluntary treatment and requires continued care.

Hearing Aids (HB 4944 & HB 4963) – passed out of the House, 76-29 vote

Require insurers in Michigan to provide coverage for hearing aids and hearing-related services and devices for enrollees under 19 years of age.

Maternal Health Package (SB 818, SB 819, SB 820, SB 821, SB 822, SB 823, SB 824, SB 825) – passed out of the Senate, 24-14 vote

Require MDHHS to create and publish reports on racial bias in perinatal care and maternal mortality.

Breast Cancer Screening (SB 1042) – passed out of the Senate, 36-0 vote

Aligns Michigan's standards for breast density notification with federal guidelines.

Doula Scholarship Fund (HB 5826) – passed out of the Senate, 22-15 vote

Creates a doula scholarship program where the Department of Health and Human Services (DHHS) can award one-time scholarships of up to \$3,000 to Michigan residents with limited financial resources, helping them cover the costs of doula training.

Reproductive Health Data Privacy Act (SB 1082) – passed out of the Senate, 20-16 vote

Prohibits the collection or processing of an individual's reproductive health data without obtaining their informed consent, which must include providing privacy information and clearly outlining the intended purposes for the data usage.

Medical Malpractice Damages Caps (HB 6085) – voted out of House Judiciary Committee

Amends the damages caps on medical malpractice cases in the state.

- General non-economic damages: increases cap to \$1M for EACH defendant and plaintiff.
- Catastrophic non-economic damages: increases cap to \$3M for EACH defendant and plaintiff.

Current law applies the cap to all defendants combined.

MI Crisis and Access Line (SB 802) – voted out of Senate Health Policy Committee

Requires the sharing of the availability of community-based mental health and substance use disorder services and integrates that information with the Michigan Crisis and Access Line.

Contraception Coverage (SB 973 & SB 974) – voted out of Senate Health Policy Committee

Requires insurers to provide for contraception and emergency contraception, beginning January 1, 2026. They also require Medicaid coverage for contraception and emergency contraception.

Pharmacist Administered Immunizations and Lab Test Coverage (SB 996) – voted out of Senate Health Policy Committee

Require insurers in Michigan that provide coverage for prescription drugs to provide coverage for immunizations administered and laboratory tests ordered by a pharmacist.

Occupational Therapists (SB 668) – voted out of House Health Policy Committee

Allows Physical Therapists to treat patients without a referral, with certain conditions and requirements, and to expand their scope of practice to allow them to determine the cause, likely course, and intervention plan for a patient's physical therapy problem as long as they are not making a medical diagnosis outside of their scope of practice.

Licensure for Substance Use Disorder Program (HB 4833) – voted out of House Health Policy Committee

Modifies licensure for substance use disorder service programs. Removes the requirement that a person who provides substance use disorder prevention services be licensed under Part 62 of the Public Health Code.

Needle & Hypodermic Syringe Access Program (HB 5178) – *voted out of House Health Policy Committee*

Established the Needle and Hypodermic Syringe Access Programs. The program's goal is to distribute sterile needles or syringes and provide other services or equipment to reduce the spread of communicable diseases. MDHHS would be required to create rules for the program and set requirements for obtaining authorization to establish such programs.

Behavioral Health Clinics (HB 5371 & HB 5372) – *voted out of House Health Policy Committee*

Add Certified Community Behavioral Health Clinics (CCBHCs) to the Social Welfare Act and require the state to adopt a policy that aligns with the federal requirements for CCBHCs.

Birthing Centers (HB 5363) – *voted out of House Health Policy Committee*

Creates licensure of freestanding birth centers, which would provide midwifery care, reproductive and sexual health care, and newborn and postpartum care. It also requires the Department of Licensing and Regulatory Affairs (LARA) to develop and issue rules addressing them. None of the provisions within the bill would be enforceable until two years after the bill takes effect.

Limited Licensed Psychologist (HB 5785) – *voted out of House Health Policy Committee*

Removes the supervision requirements for a person practicing under a limited license and requiring a longer period of supervised postgraduate experience to apply.

LABOR

Unemployment Benefits (SB 40) – *passed out of the Senate, 21-15 vote*

Amends the Michigan Employment Security Act to increase, from 20 weeks to 26 weeks, the maximum number of weeks an individual could qualify for unemployment benefits per benefit year.

Noncompete Agreements (HB 4399) – *voted out of House Labor Committee*

Makes additions to the MI Antitrust Reform Act by specifying that an employer cannot obtain a noncompete agreement unless the employer has done all of the following:

- Provided each applicant for the position with written notice of the noncompete agreement requirement.
- Disclosed the terms of the noncompete agreement in writing to an employee or an applicant for employment before hiring the employee.
- Posted section 4a (i.e., the bill) or a summary of its requirements in a conspicuous place at the worksite where it is accessible to employees

It would also prohibit an employer from obtaining a noncompete agreement from an employee who is a "low-wage employee" (a minor or someone who receives annual wages that are less than 138% of the federal poverty line for a family of three).





LOCAL GOVERNMENT

Open Meetings (SB 1023) – *passed out of the Senate, 22-14 vote*

Changes grounds for going into closed session when a public body consults with its attorney.

Remote Meetings (HB 4693) – *voted out of House Local Government Committee*

Amends the Open Meetings Act and permits public bodies to hold electronic meetings under two conditions:

1. The body does not directly levy taxes and is composed of members who are neither elected nor compensated for their service.
2. The meeting occurs during a declared state of disaster or emergency.

Zoning Ordinance (HB 6098) – *voted out of House Economic Development Committee*

Revises city or village zoning ordinance amendment protest petition requirements.

NATURAL RESOURCES

Recreation Passport (HB 5428 & HB 5873) – *voted out of House Natural Resources Committee*

Makes Michigan's recreation passport an opt-out program, rather than its current opt-in format for vehicle registration renewals, and amends the formula to provide additional funding opportunities to local parks departments.

Veteran Access to State Parks (HB 6219) – *voted out of House Natural Resources Committee*

Makes veteran or actively serving military status a basis for free state park and public boating access site entry.

Water Resources Protection (SB 663 & HB 5205) – *voted out of House Natural Resources Committee*

Allow the Department of Environment, Great Lakes, and Energy (EGLE) to promulgate rules. EGLE has been unable to promulgate under Part 31 (Water Resources Protection) of the Natural Resources and Environmental Protection Act (NREPA) since December 31, 2006, after legislation was passed to prevent it from doing so in 2004.

Bottle Deposit Law Changes (SB 1112) – voted out of Senate Energy Committee

Proposes placing a question on the 2026 midterm election ballot to decide whether Michigan’s bottle deposit law should be expanded.

Under the proposed expansion, dealers would be required to accept and refund the full deposit value for any empty bottle, regardless of its type, size, or brand, and even if it was not sold by that particular dealer. If approved, the bill would establish the Beverage Container Handling Fund and the Resource Recovery Fund.

Statewide Septic Code (SB 299 & SB 300) – testimony only

The Senate Natural Resources and Agriculture Committee took up the latest attempt to establish a statewide septic code for Michigan, currently the only state without one. The bills would add onsite wastewater treatment systems to the Public Health Code and give EGLE the authority to regulate the systems, and phase in an intermittent timeline for inspections every 10 years. Additionally, a Technical Advisory Committee would be created to advise EGLE on standards for onsite wastewater systems, proprietary and nonproprietary products, alternative systems and inspections. A fund would also be established to support the program. Testimony was largely supportive of the overall effort, but nearly every group requested additional changes.

PUBLIC SAFETY

Juvenile Sentencing (HB 4160, HB 4161, HB 4162, HB 4163, HB 4164) – voted out of House Criminal Justice Committee

Prohibit sentencing individuals who committed certain crimes before the age of 19 to life without parole.

TRANSPORTATION

Local Agency Disaster Relief Program (HB 5945) – voted out of House Transportation Committee

Establishes a Local Agency Disaster Relief Program and a Local Agency Disaster Relief Board within the Michigan Department of Transportation (MDOT) to help repair or replace local road infrastructure following a declared emergency.

It also creates the Local Agency Disaster Relief Board Fund in the state treasury, directing \$5 million annually from the Michigan Transportation Fund (MTF) formula distribution to local road agencies into this fund.

REGULATORY

Liquor Brands (SB 868) – voted out of House Regulatory Reform Committee

Amends the Michigan Liquor Control Code to expand the definitions of “brand” and “brand extension” for certain alcoholic beverages. It defines a brand to include various supplier names and specifies that new products with similar branding to an existing product would be considered a brand extension.





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