



Lame Duck

Overview of the 102nd Legislature

Dykema

Wrap-up of the 102nd Legislature

House Conclusion

On December 13, in a Friday session, House Republicans left the Capitol over minimum wage and earned sick time bills not being put up to vote.

On December 19, a little more than an hour into the House session, Speaker of the House Joe Tate ordered a Call of the House, rounding up absent Representatives to the House floor.

Shortly after 2 p.m. and an hour after the Call of the House was ordered, democratic leadership ended the session, which was to be continued on December 31, the last day of the year.

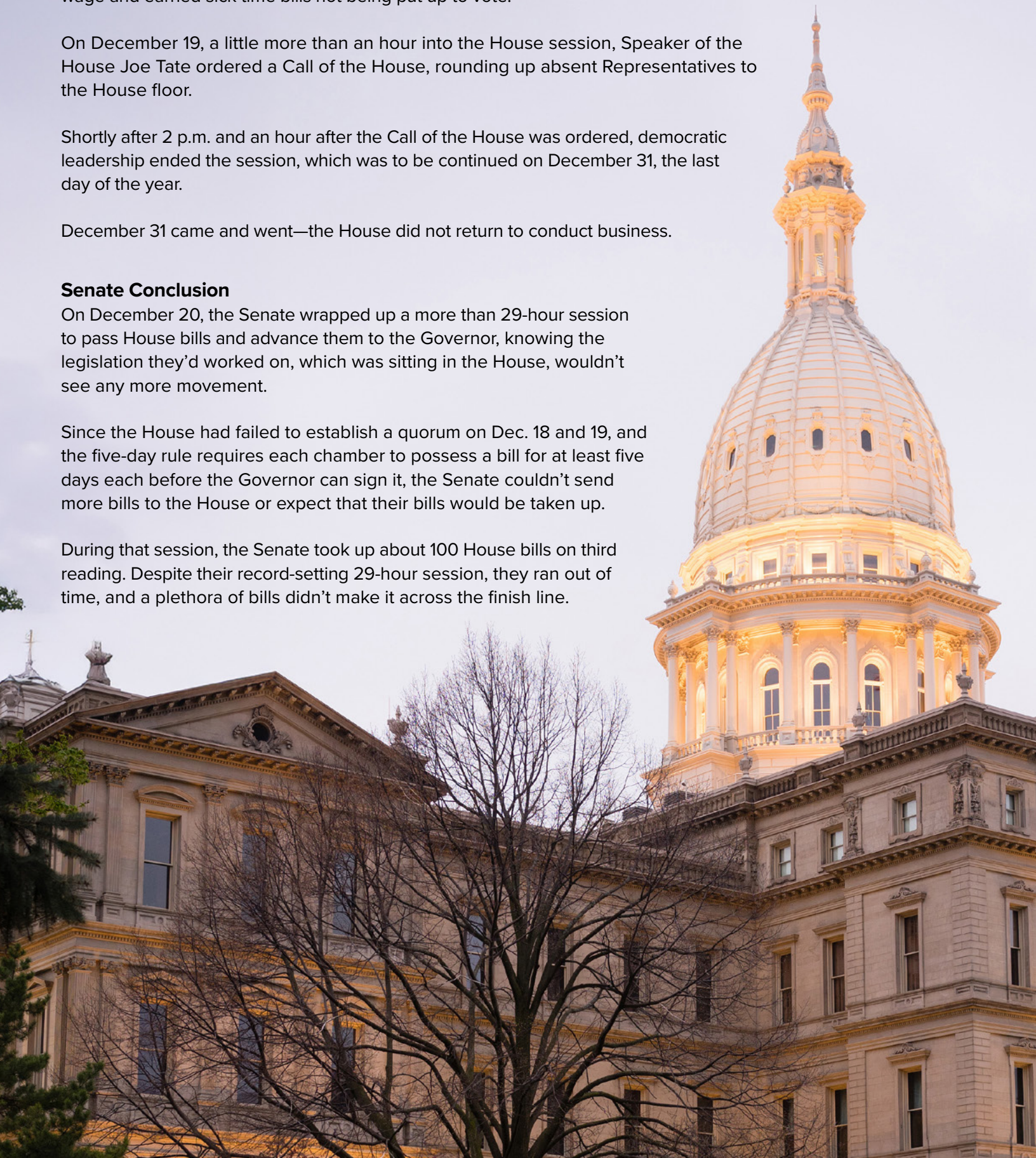
December 31 came and went—the House did not return to conduct business.

Senate Conclusion

On December 20, the Senate wrapped up a more than 29-hour session to pass House bills and advance them to the Governor, knowing the legislation they'd worked on, which was sitting in the House, wouldn't see any more movement.

Since the House had failed to establish a quorum on Dec. 18 and 19, and the five-day rule requires each chamber to possess a bill for at least five days each before the Governor can sign it, the Senate couldn't send more bills to the House or expect that their bills would be taken up.

During that session, the Senate took up about 100 House bills on third reading. Despite their record-setting 29-hour session, they ran out of time, and a plethora of bills didn't make it across the finish line.



New Year – What’s happening in 2025 thus far

Governor Waiting on Bills

Amid some concern about the fate of House bills the Senate passed in a late blitz December 19-20, the House formally presented 100 such bills on January 8 to Governor Gretchen Whitmer. The Governor has precisely 14 days from when they were given to sign or veto them.

Although the Governor was presented with these bills, the future of nine major bills from the previous legislative term was uncertain after House Speaker Hall announced that the House would not formally send them to Governor Gretchen Whitmer for her signature while a legal review is conducted. These bills, among the most contentious passed during the Senate’s extended December session, include HB 6058 of 2024, which would eliminate the current cap on public employer contributions to employee healthcare premiums (currently 80%) and change that to an 80% floor for employer contributions, amongst other changes.

Governor’s Road Ahead Address

Governor Whitmer’s 2025 State of the State Address is expected to be Wednesday, February 26—a month later than it is traditionally held. In the interim, she will present a “Road Ahead Address” on Wednesday, January 15, at the Detroit Auto Show. This will likely be a condensed version of her upcoming State of the State Address in which she will lay out her vision for the state’s upcoming year.

Michigan Senate

Senate Makeup

The Michigan Senate members were not up for re-election in November 2024, but they did experience changes in their numbers as Senator McDonald Rivet decided to run for Congress. She emerged victorious in her bid for a congressional seat and left a vacant seat on the Michigan Senate floor.

The Democrats still hold the majority in the Michigan Senate, but it’s slim now that they have one less member; the chamber is split 19-18 starting in January 2025.

Governor Whitmer can call a special election to fill that vacant seat, but so far, no information has been disclosed on her intentions to do so.

Senator Roger Hauck echoed calls from area legislators and Senate Republican leadership encouraging Governor Gretchen Whitmer to schedule a special election to fill a vacant seat. Republicans are eager for Governor Whitmer to do so as the vacant seat is seen as a “swing” seat due to have a hotly contested race if the Governor calls a special election. If Republicans were to win that seat, the vote split in the Senate would be 19-19, leaving Lieutenant Governor Garlin Gilchrist as the tie-breaking vote on any legislation.



Michigan House of Representatives

There is still no announcement on House committee chair and member appointments, but those are expected in the near future. Additionally, new House Speaker Matt Hall is electing not to use a Committee on Committees process to recommend those appointments. He is elected instead to make those decisions directly. Below is what has been announced thus far.

House Calendar

House Republican majority announced it hopes to meet at least twice weekly until July 1, except for a two-week spring recess in April.

If they succeed in having a quorum every day they've planned to hold session, the House will be in town 64 days in the first half of 2025. For 2024, the House managed a quorum on 55 days, only one day off the historic 72-year low set in 2022.

New Committees Structure

The House committee structure will see several changes from the previous term under the draft House rules proposed by Speaker Hall. The number of standing committees would fall from 21 to 18.

Eliminated committees:

- Local Government and Municipal Finance
- Criminal Justice
- Higher Education
- Labor

The proposed rules also consolidate two committees into one. What were the “Families, Children, and Seniors Committee and the Military, Veterans, and Homeland Security Committee” will become the “Families and Veterans Committee.”

New Committees:

- Rules Committee
- Communications and Technology - Last term, those issues were combined into one committee with Energy. Now, those issues are separated.

Name Changes:

- Economic Development and Small Business becomes Economic Competitiveness
- Education becomes Education and Workforce
- Elections becomes Elections Integrity
- Tax Policy becomes Finance
- Insurance and Financial Services becomes Insurance
- Natural Resources, Environment, Tourism and Outdoor Recreation becomes Natural Resources and Tourism
- Ethics and Oversight becomes Oversight
- Transportation, Mobility, and Infrastructure becomes Transportation and Infrastructure

The total number of standing committee assignments will fall from 276 to 246 under the rules. Several committees will see reductions in size, but others, especially Oversight, will increase in size.

New House Oversight Process

House Speaker-elect Matt Hall is changing House Rules; among them, he plans to establish six new House Oversight Subcommittees for the upcoming term.

The Oversight Subcommittees will include:

- Weaponization of State Government
- Child Welfare System
- Corporate Subsidies and State Investments
- Public Health and Food Security
- Homeland Security and Foreign Influence
- State and Local Public Assistance Programs

Many subcommittees will focus on abuse of power within the Governor's office, the attorney general's office, and the secretary of state's office. The subcommittee on corporate subsidies and state investment will focus on tax breaks and programs like the Michigan enhancement grants.

New Special Committee

House Republicans established a select committee to hold hearings on bills related to tipped wage and changes to the Earned Sick Time Act. Representative Bill Schuette, a Republican from the Midland area, will chair the committee.

New External Affairs Office, Appointments

House Speaker-elect Hall has also announced a new external affairs office. The new office will work to strengthen outreach and engagement in Southeast Michigan proactively. Cortney Goddard, former staffer for Governor Whitmer and a former House Democratic Staffer, has been named as the Director of this new office. She is tasked with fostering collaboration between policymakers, local government leaders, and local stakeholders.

Budget News

The Senate Fiscal Agency has revised its revenue forecast for the General Fund and School Aid Fund upward by approximately \$1 billion for the recently completed fiscal year and the next two years. The increase is anticipated to spark significant debates in the upcoming legislative session regarding budget priorities and potential tax cuts.

In its latest Economic Outlook and Budget Review, released ahead of this Friday's Consensus Revenue Estimating Conference, the agency adjusted its fiscal year 2023-24 revenue forecast for the combined General Fund and School Aid Fund by \$926.3 million, compared to the May 2024 consensus estimate.

For fiscal year 2024-25, the agency revised revenues upward by about \$1.22 billion, while for fiscal year 2025-26, revenues were increased by \$1.46 billion.

The agency also projected substantial year-end surpluses. Expected economic growth and reduced corporate income tax earmarks of General Fund revenues were the reason behind the upward revision for fiscal year 2025-26.





Legislation

Minimum Wage and Earned Sick Time

House Republicans introduced HB 4001 and HB 4002, which would preserve the tipped wage and make amendments to the Earned Sick Time Act.

Senate Democrats also introduced bills related to the tipped wage and Earned Sick Time Act: SB 8 and SB 15.

The bills are not double sets of the same legislation—meaning they do not have carbon copy language from each other. House Republicans said that although they felt the Senate needed to negotiate with them to get to something closer to the House’s legislation, they were optimistic that a deal could be reached.

FOIA Expansion

An expansion of the Freedom of Information Act to include the Legislature and the Governor’s office is being put on a fast track to move through the Senate, with bill sponsors saying it is time to see a decade-long effort through to a conclusion. SB1 and SB2 were introduced this week to establish those goals.

Prescription Drug Affordability Board

Senate Democrats are making a second attempt at creating a prescription drug board. SB3 – SB5 were introduced on the first day of session this year. The bills would create a five-member Prescription Drug Affordability Board. Members would have to be appointed by the Governor. Bill sponsors said the proposal would, over time, lower drug prices for residents and improve access to needed medicines.

Prohibition of Land Sale to Foreign Entities

SB 10 was introduced by Senator Joe Bellino on the first day of session this week. The bill would prohibit selling or transferring real property in Michigan to foreign entities.



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