

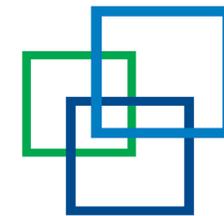
Legislative Update

MME Winter Institute

Jan. 22, 2026



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Legislative Update

2025 Wrap Up



2025 Public Acts



2026 Forecast



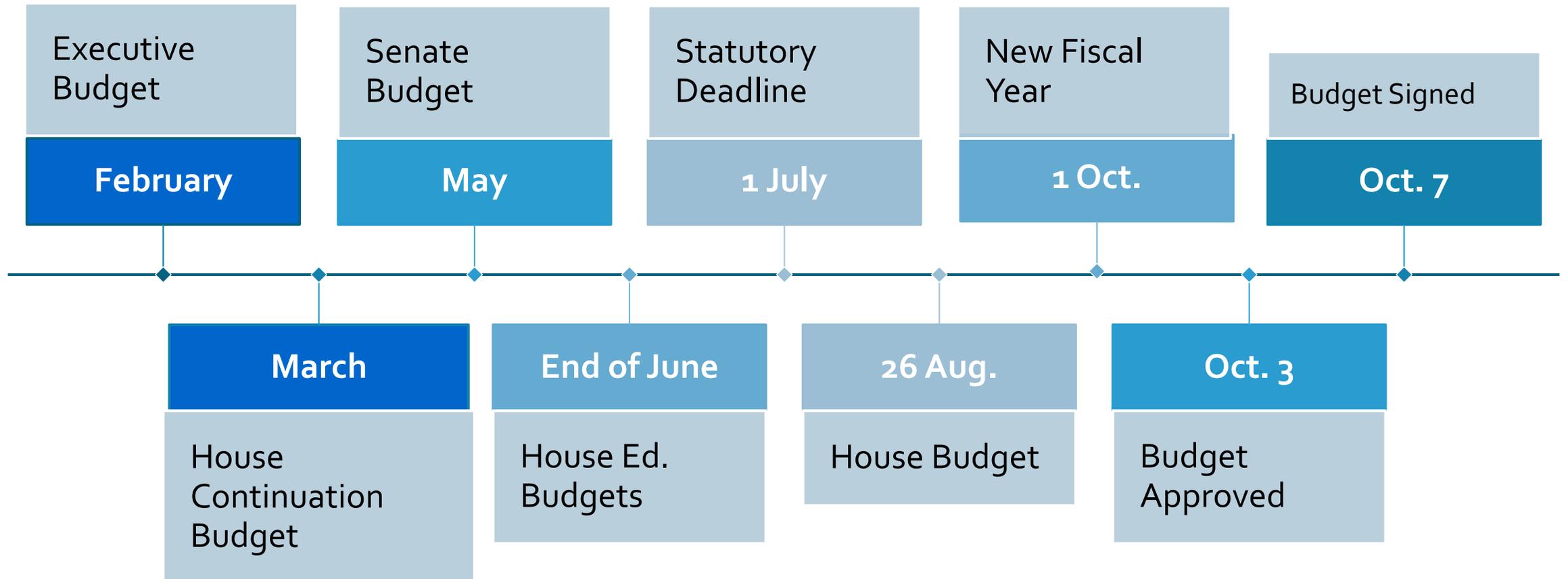
Possible 2026 Ballot Proposals

2025 Wrap Up



Major Legislative Action

- Earned Sick Leave Requirements
- Minimum Wage
- Budget
- Road Funding



Final Road Funding Agreement

- Redirect of sales tax at pump - \$1.1 b
 - NO Backfill for constitutional revenue sharing
- New Marijuana wholesale tax tax - \$420 m
- Earmark CIT revenue - \$688 m to \$1 b
- Remove income tax earmark to MTF (\$600 m)

New Grant Programs

- Public Safety Revenue Sharing Grant Program
 - CVTs - \$35 m annual + \$7.5 m one-time
 - Restricted to public safety uses (75% law enforcement)
 - One payment – late March / early April 2026
 - \$11.6M in one time for counties
- Fire Equipment / Gear Grants - \$8 m
 - \$4 m on-call, part time or volunteer departments
 - Late spring

End of 2025 Issues

- Work Project Accounts – Elimination of \$645 m
- Fewest Public Acts – 74
- Not Done
 - Economic Development (part of budget agreement)
 - Sunset Extension for Commercial Rehabilitation Act (PA 210)
 - Sunset Extension for Commercial Redevelopment Act (PA 255)

***2025
PUBLIC ACTS***

2025 Public Acts

- PA 1 – Minimum Wage
- PA 2 – ESTA
- PA 13 – Marketable Title
- PA 14 – Continuation Budget (10/1 - 10/08)
- PAs 16-20 – Road Funding
- PA 21 – Natural Resources Trust Fund



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2025 Public Acts

- PA 22 – Omnibus Budget – FY 2026
- PA 23 – Marijuana Wholesale Tax
- PA 27 – Personal Property Tax Exemption
- PA 29 – Water Fees (extension)
- PA 30 – NREPA Fees (extension)

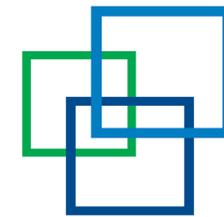
2025 Public Acts

- PAs 32-33 – Enhancement Grant Requirements
- PAs 53-54 – Tax Tribunal Hearings
- PA 58 – Land Division
- PAs 60-62 – Child Care Locking Systems
- PAs 68-74 – Farmland Credits / Easements

2026 Forecast



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Election Year Impact

- 35th Senate District Special Election
- 2026 Election
 - U.S. Senate Seat – Open
 - Governor – Open
 - Attorney General – Open
 - Secretary of State – Open
 - Legislature
 - 110 House seats
 - 38 Senate seats



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Legislative Priorities

- Revenue Sharing Trust Fund
- Revenue Sharing Appropriations
- Local Authority
- Property Taxes
- Personal Property Taxes
- Court Funding (extend sunset for collection of court costs)



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Major Legislative Issues

- Budget
- Tax Reform
- Revenue Sharing
- Economic Development
- Housing

Major Tax Issues

- Property Tax Reform
- Personal Property Taxes
- Disabled Veterans' Property Tax Exemption
- Sales Tax Exemptions

Tax Issues

- Utility PPT: HBs 4787-4788
- BESS – Alternative tax for battery storage
- HB 4799: Postmark date of receipt
- HB 4952: Small business PPT exemption reimbursement
- HB 4014: Transfers - exempt uncapping in certain family transfers
- HBs 4079-4080: Special assessment deferment
- HBs 4443-4444: Disabled veterans' specific tax

Revenue Sharing Trust Fund

- HBs 4311-4312
- SBs 559-561
- Dedicates sales tax revenue to a restricted fund
- Restore, protect and preserve
- Build and preserve local resources for local units of government

Term of Office

- SBs 240-243
- HBs 4358-4359 and 4698-4699
- Elected township, city and village officials
- Modifies term of office to Dec. 1
- Ensures election results certified prior to term

Election Dates

- Move Primary to May
- Eliminate August election date
- Maintain February date choice
- SBs 692-697



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Investment of Public Funds

- HB 4757
- Adds permissible investments
- Revises criteria for certain investments
- Requires annual filing of investment policy

Housing

- Need for affordable housing
- How to achieve
- Impact to local authority

Housing – Preemption

Preemption of local zoning authority:

- Maximum parking requirement of 1.5 spaces
- Duplexes in single-family zones within or adjacent to MSA
- Application form + **all** studies that could be required
- Setback limit no more than 25 feet from the property line
- Maximum lot size of 5,000 square feet
- Maximum dwelling size
- Accessory dwelling units in all residential areas

Housing – MI Home Program

Partnership over Preemption

- State investment of \$160 m annually for 5 years
 - Local zoning reform – (\$5 m) to promote reform and establish 14 best zoning practices
 - Grants to nonprofit developers, land bank authorities, traditional developers
 - Grant award properties – sell or rent to individuals with annual income of not more than 120% of area median income
 - Grant requirements



Employer / Labor

- Minimum Staffing – SB 319 & HB 5290
 - Police & fire staffing
 - Collective bargaining / binding arbitration
- Workers Compensation – SB 161
 - Respiratory and heart diseases
 - Eligible individuals

Energy / Environment

- Statewide Sanitary Code – SB 201
- Carbon Capture – SBs 394-396
- Water Withdrawal – SBs 762-763
- Energy Rewrite



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Possible Ballot Proposals



Potential 2026 Ballot Proposals

- Constitutional Convention
- AxMITax
- Americans for Citizen Voting
- Michiganders for Money out of Politics
- Invest in MI Kids
- Voters to Stop Pay Cuts
- Bottle deposit expansion

Ax MI Tax

- Prohibit property taxes
- Require supermajority vote for tax increase
- ***Limited replacement revenue for local gov't for limited purposes only***
 - “essential gov’t services”
 - “essential infrastructure services”
- No replacement for other purposes

Questions



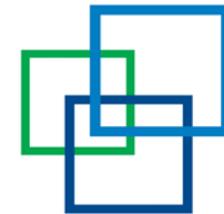
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