



BY JAMIE A. HOPE

Children's first lesson about taxes is learned after trick-or-treating.

Parents take a certain amount of candy and tell their children to pay their taxes. The look of offense is usually worth a laugh before the parents relent and give the candy back. Some of it, anyway.

Children take their second lesson when they earn their first paycheck. Through sweat, long hours, and sometimes-difficult customers, they reap their reward. They look at the pay stub, wide-eyed with outrage, and see how much money local, state and federal governments took from their earnings.

They ask, "For what? Where do they spend the money?"

That's the question every taxpayer should ask. Sometimes taxes are used for essential services. Other times, however, they're used to reward businesses with money if they promise to create more jobs. Often, there's no payback required if the jobs don't come to fruition. Your hard-earned money goes out the window.

Michigan government officials on both sides of the aisle vote in favor of giving billions of dollars to companies they deem deserving. In picking those companies as winners, they put others at a disadvantage. While many families struggle to keep the lights on and put food on the table, corporations such as Ford Motor Co. and General Motors, as well as green energy companies, are treated as Too

Big to Fail. The question is never whether they'll get taxpayer money, but when they'll get it, and how much.

Some corporate welfare agreements in the past had nondisclosure agreements. In other words, legislators created laws to keep you, the citizen, from knowing what happens to your tax dollars.

James Hohman, director of fiscal policy at the Mackinac Center, says of such arrangements, "Most programs the state operates now require (companies) to pay back the money they got if they cut jobs. Or the gifts get lowered if they come in at less than advertised. And sometimes (the state will) simply move the goalposts so that a company can collect even if they produce less than expected — though typically, when they lower job creation requirements, there is a commensurate drop in the cash they can get."

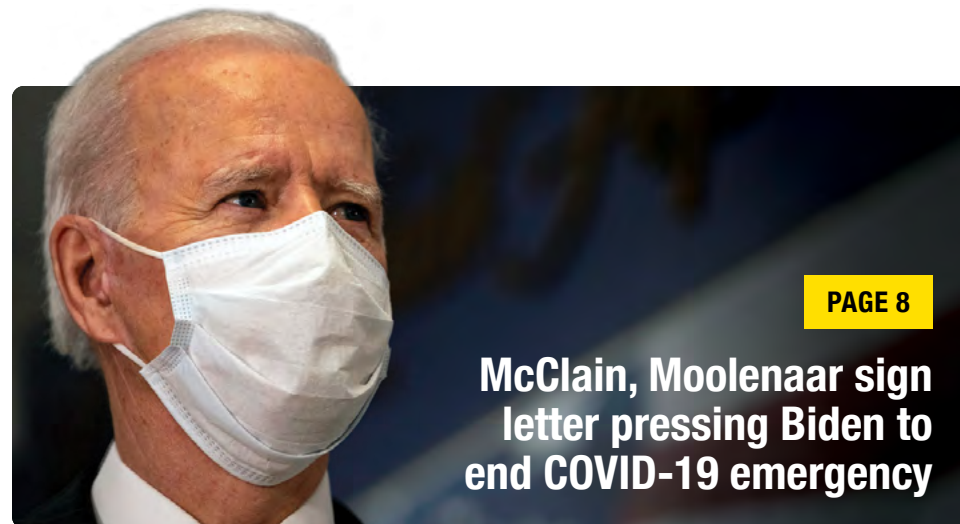
"But if the company's dead, you can't get blood from a turnip."

If you want to know where your elected officials serving you in the Michigan Legislature stand on corporate welfare, or if you want to tell them how you feel about it, you can go to www.legislature.mi.gov. It will help you find your representative and senator, along with the relevant contact information. ■

The original version of this story was posted online on Dec. 3, 2022 and is available at MichCapCon.com/30407.

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Mackinac Center for Public Policy
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MEET THE STAFF



James David Dickson is the managing editor of Michigan Capitol Confidential. He may be reached at Dickson@mackinac.org



Jamie A. Hope is Assistant Managing Editor for Michigan Capitol Confidential. She may be reached at Hope@mackinac.org

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Michigan budget delivers \$2 million curling center in Traverse City

Traverse City breaks out the brooms for pork project in shuttered Kmart

BY JAMIE A. HOPE

Traverse City residents are about to get a new curling center, with a \$2 million price tag. The icy treat comes in a section of the 2023 state budget labeled “Department of Labor and Economic Opportunity Boilerplate Earmarks.”

The money is slated to renovate an old retail building the Traverse City Curling Club will use for its activities. The \$2 million grant can be found in the Senate Fiscal Agency’s analysis of House Bill 5783, which itemizes appropriations grants. Gov. Gretchen Whitmer signed the 2023 budget on July 20.

The grant is one of several items, commonly known as pork projects, that bring taxpayer dollars to the district for elected officials to spend on favored enterprises.

Traverse City will also receive \$6 million for a housing project, \$7 million for a senior center and \$350,000 for Traverse Connect, an economic development organization that awards money to select businesses in the area.

The money to turn a shuttered Kmart into an ice rink complex comes as the city’s curling organization has “exploded” in recent years, Rep. John Roth, R-Traverse City, told The Detroit News, adding that he hopes the renovation will spur more development at the struggling Cherryland Center mall.

However, Traverse City Curling Club vice president Kevin T. Byrne told Michigan Capitol Confidential that the club’s membership has been flat. “Pre-COVID, we had 150-ish members,” he said. “We ended our season in April with 120-ish members.”

The club does expect to see strong growth once the new facility is in place, Byrne said, pointing to a feasibility study Traverse City Curlers commissioned, projecting membership to reach 600 within a few years of the center’s scheduled completion.

“We’re taking a functionally obsolete, contaminated, blighted site, and putting in a new facility that will help development in that area and build the tax base,” Byrne told CapCon.

Traverse City sees ballooning revenues but bitter disagreement over spending priorities. The city received \$18.2 million in American Rescue Plan Act money in 2021 and saw a surge in tax revenue. The city had projections in October 2021 of \$28 million in revenue for 2022, a 3.4% increase over 2020, according to Traverse Ticker.

The city also has \$40 million in unfunded pension liabilities. And Grand Traverse County is embroiled in a controversy over the county director’s plan to raise the millage rate for veterans affairs, taking it from the current rate of 0.08 mills to 0.1125 mills. Residents are pushing back against that plan, with one telling the Traverse City Record-Eagle, “A millage here and another millage there all add up.”

Neither Roth nor Sen. Wayne Schmidt, R-Traverse City, responded to requests for comment from Michigan Capitol Confidential. ■

The original version of this story was posted online on Nov. 10, 2022 and is available at [MichCapCon.com/30299](https://michcapcon.com/30299).



Dear Reader,

2023 will bring many challenges and opportunities. Sometimes, freedom is on the march. And sometimes, like next year, freedom means playing defense.

The Mackinac Center fought for the right-to-work law to protect your right, as an individual, to choose whether to pay into a union or not. The people of Michigan agreed, voting 58%-42% in 2012 to reject an attempt to ban right-to-work in the Michigan Constitution. Not in the law books, in the supreme law. That overreach failed, and a month later right-to-work was signed.

When Gov. Gretchen Whitmer tossed aside the Michigan Constitution to run the state herself, deciding which businesses and medical procedures were essential, the Mackinac Center Legal Foundation sued and won. The Constitution is always worth fighting for. The freedom to choose is always worth fighting for. Our 10 million neighbors are always worth fighting for.

Michigan Capitol Confidential is the voice of Michigan. We are here to tell your stories. How are you affected by government action? When you seek information from the governments you pay taxes to, does it come in a timely fashion? What's being done in Lansing and Washington and at city hall, with your money, and in your name?

How can we help you navigate a world where government extends its reach into all areas of your life? Can we help you phrase and file a Freedom of Information Act request, and make sure it is fulfilled? Can we ask public officials the questions you can't get answers to? What can we do for you and your family? Tell me, at dickson@mackinac.org. I read every single email.

Freedom is an uphill battle. FOIA requests aren't free, litigation is expensive, and journalism is a commitment. Changing the world isn't cheap. But it is possible, especially if we work together.

Please help us fight this battle. Climb uphill with us. Consider donating today to Michigan Capitol Confidential.

Any gift you make will be matched, dollar for dollar, through our \$3 million journalism challenge grant, giving you extra impact in the fight for freedom. Thank you.

Yours in Freedom,

James David Dickson

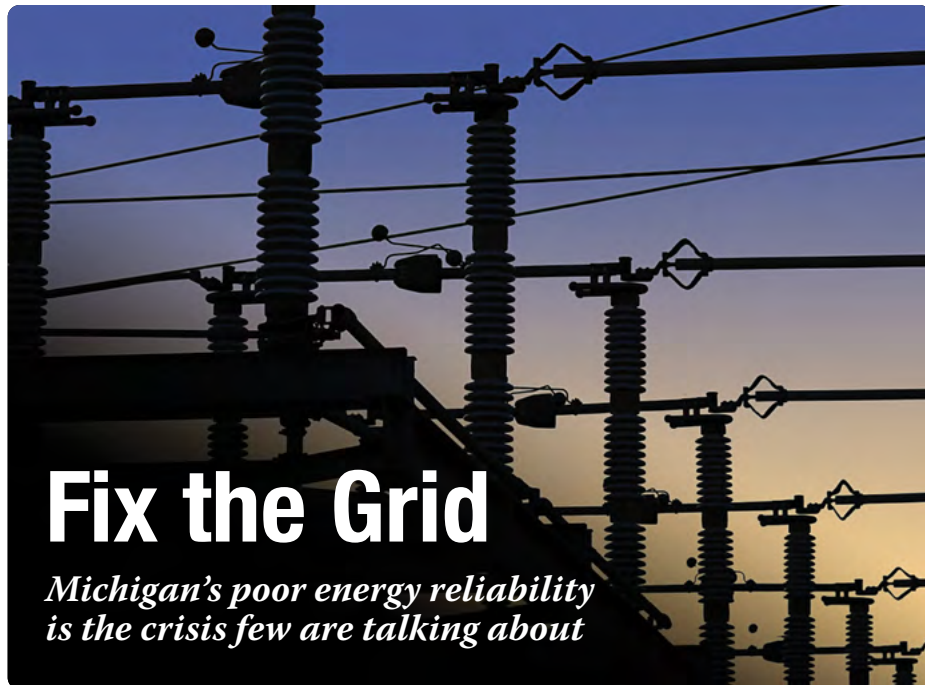
Editor, Michigan Capitol Confidential

www.MichCapCon.com

989.631.0900

MiCapCon@Mackinac.org





Fix the Grid

Michigan's poor energy reliability is the crisis few are talking about

BY JAMES DAVID DICKSON

Michigan has some of the worst energy reliability in America.

While the evidence of Michigan's poor roads is underneath our feet, everywhere we drive, spotty energy reliability can feel like it's someone else's problem.

Until it isn't. Until the power outage is on your block, on the coldest or hottest day of the year, with no timeline for restoration.

According to the Citizens Utility Board of Michigan, Michigan's energy reliability is poor, regardless of weather.

Per the board's 2021 Utility Performance Report, Michigan ranks fourth in the nation for average number of minutes of power outage per year per customer after a major weather event. And we're sixth in average minutes per power outage per customer without a major event. The report uses 2019 data.

Michigan ranks third-worst in restoration time after major weather events, and third-worst when there's an outage without major weather events.

Not only is Michigan not prepared for a world where one-third of new vehicles are EVs, it's ill-prepared to deliver reliable electricity now, today, under current conditions.

One part of the solution, increased tree-trimming, is simple. But it's not easy, and it doesn't produce any revenue.

The premature shift from reliable energy sources to renewables is another part of the

problem, said Jason Hayes, the Mackinac Center's director of environmental policy.

"Tree trimming is part of it, but also, we're starting to spend more on renewables, and we're closing the big reliable plants," Hayes told CapCon. "Both utilities, Consumers and DTE, have closed several big reliable plants in the last five to seven years. So that's beginning to have an impact on reliability as well."

Regardless of the weather, Michigan has an unreliable grid. Our power goes out at higher rates than it does in other places, and it stays out longer. Michigan ranked 11th in the cost of residential energy.

Your utility bills probably went up recently. Are you getting what you've paid for?

In Gov. Gretchen Whitmer's first term, she failed to Fix the Damn Roads. She'll try again next year, and this time won't have to negotiate with a Republican Legislature.

The promise Whitmer hasn't made, but needs to, is to Fix the Damn Grid. Keep trimming trees and stop undermining reliable sources of energy. Treat Line 5 as essential. Treat renewables as an addition, not a replacement, until they are ready for prime time.

In the meantime, Hayes advises, be prepared for when the lights go out.

"Have an alternative heating source," Hayes said. "Invest in a generator." ■

The original version of this story was posted online on Nov. 20, 2022 and is available at [MichCapCon.com/30161](https://michcapcon.com/30161).

Michigan will be less free and more regulated in 2023

Expect water rights to be challenged and homeschools to be regulated

BY JAMIE A. HOPE

With Democrats taking control over the Legislature, executive branch, and Michigan Supreme Court next year, a progressive agenda is likely to advance quickly throughout the state.

If past introduced bills offer a window into the future, Michigan will be substantially transformed, likely following in the footsteps of California and New York.

Let's take a look at some of the bills that have been introduced by Democrats but never passed due to Republican legislative control. This gives us a forecast of what is likely to happen in Michigan in the 2023.

Property owners in the state currently have the legal right to use groundwater reasonably — as long as it does not hinder a neighboring property owner's ability to obtain water. This is known as the riparian water use doctrine.

This right is likely to change. The homeowner who wants to use pond water on her property for landscaping projects could be subject to state control under the new Legislature. The same for a farmer whose tractor wheels create furrows that then collect puddles of water when it rains. This could set the stage for protracted and expensive legal battles, such as that endured by a Michigan man decades ago for moving some dirt around on his property. (The case even reached the U.S. Supreme Court.)

House Bill 5953, introduced by Yousef Rabhi, D-Ann Arbor, and Senate Bill 987, introduced by Sen. Jeff Irwin, D-Ann Arbor, says "The waters of this state, including ground water, are held in the public trust by this state." The legislation does not differentiate between puddles or larger bodies of water and gives state bureaucracies wide latitude to control water use on personal property.

If parents like choice in education, they will not like the plans Democrats may have in store for them. In 2014, Democratic legislators tried to limit the

number of charter schools, but were foiled by opposition from charter school parents and allies. The idea could resurface next year, however.

Homeschoolers may face increased pressure from the state. The Homeschool Legal Defense Association reported April 12 that Irwin was considering legislation to regulate homeschooling.

Attorney General Dana Nessel supports the idea and said, according to the Detroit Free Press, that "a lack of oversight can result in an inadequate education that does not prepare kids for personal success in life. Michigan children deserve better."

Limiting school options for students is not the only possible change in K-12 education. Lawmakers also have control over curriculum requirements.

Senate Bill 460 would prohibit local and intermediate school districts, as well as public school academies from teaching critical race theory and curriculum recommendations from The 1619 Project. The bill from Sen. Lana Theis, R-Brighton, was approved by the Senate Education and Career Readiness Committee, but it has yet to receive a floor vote.

Under Democratic legislative control, look for social justice and ideological curricula at school to receive a big boost in support.

In the past few years, parents have used school board meetings to push back against diversity, equity, and inclusion curriculums in public schools. They have also objected to schools stocking their shelves with books containing graphic sexual content. These parents may face even greater challenges in the coming months.

One thing is certain: Michigan is going to change next year. That doesn't mean it will improve. CapCon will be here watching it all, letting you know what's at stake. ■

The original version of this story was posted online on Nov. 12, 2022 and is available at [MichCapCon.com/30371](https://michcapcon.com/30371).



Michigan Democrats go 0-6 in predictions on right-to-work's economic effects

In the decade of right-to-work in Michigan, dire predictions have not panned out

BY JAMES M. HOHMAN

Michigan's legislators approved right-to-work in 2012 over the objections of Democratic members. Those members predicted that allowing workers to keep their jobs without having to pay unions would harm the state's economy and Michigan's workers. A number of legislators reiterated this talking point, recorded in the Michigan House of Representatives Journal:

So-called 'right-to-work' legislation will not boost economic growth and will not benefit Michigan or Michigan workers. To the contrary, this legislation will result in lower wages and cuts to benefits. Lower wages mean people have less money to spend which hurts small businesses and local economies throughout our state. 'Right to work' erodes the financial security of all middle-class families, eroding their ability to earn decent wages and have safe, dignified working conditions.

A decade is more than sufficient to evaluate whether these predictions were accurate.

Since lawmakers enacted right-to-work, Michigan's average annual pay increased from an inflation-adjusted \$55,140 to \$61,683.

Average incomes in the state increased from 38th among the states to 35th. There is still room for improvement, but the higher

personal income ranking indicates the law's detractors were missing something when they predicted dire losses. Contrary to predictions, income is up in Michigan and is improving relative to other states.

Nor did employment benefits take the predicted dip. The average benefits package per worker is up 5% above inflation over the period.

Right-to-work's opponents said the law would harm the middle class, but the trends don't support that claim, either. The state's median household income has increased from \$46,859 in 2012 to \$63,498 in 2021, a 15% increase above inflation.

Opponents also predicted that workplaces would become less safe, but worker safety has only improved since passing right-to-work. The state's occupational injury and illness rates declined 28%, at least before the pandemic started. Michigan's rates are 21% lower than the national average.

More difficult to evaluate are the claims that right-to-work would hurt small businesses. But according to the U.S. Census Bureau, there are more Michigan businesses with fewer than 500 workers, and they employ more people now than in 2012.

As for the anticipated harm to local economies, the inflation-adjusted per-capita personal income in every Michigan county

improved since 2012. Given that growth, it's hard to say opponents were reading the tea leaves correctly.

The jobs picture has looked even better. Michigan added 382,100 jobs in the time between right-to-work's passage and the eve of the pandemic. That 9.4% increase was the best in the region. But while right-to-work has been an economic boon, other policies have not been.

Thanks in no small part to Gov. Gretchen Whitmer's ordering the most restrictive lockdown in the country, Michigan has not fully recovered from the job losses it suffered during the pandemic.

The state is down 94,500 jobs, the worst in the region, while 23 other states have more jobs than they did when governors started shutting down so-called nonessential workforces. And of the states that have recovered, 17 of them are right-to-work states.

Residents can be relieved that the harms predicted for right-to-work predicted did not show up. Opponents of right-to-work went 0 for 6.

The right to voluntarily associate with whom you choose is important, but it's an issue that gets forgotten when paying a union is required. Right-to-work laws keep unions from taking their members for

granted. An employee's ability to opt in or out of dues-paying is an important check. People only pay in if they're getting their money's worth.

There is a better way to assess the economic effects of a policy than reviewing what happens to major trends after it is enacted. Economists can separate the effects of the law from everything else going on in a state. Our attempt at the Mackinac Center found that, excluding other factors, right-to-work improves inflation-adjusted income, employment and population growth, and employment gains. This can be seen more clearly in counties on the border between states with right-to-work and those without.

With Democrats holding all the gavels in Lansing come January, some lawmakers have said that they want to force workers to contribute to unions again. They ought to reconsider their stance. Their predecessors were wrong in their dire predictions of economic ruin, and the law has improved Michigan's economic performance.

A prediction that's far more likely to come true is that repealing right-to-work would hurt Michigan and its workers. ■

The original version of this story was posted online on Nov. 22, 2022 and is available at [MichCapCon.com/30387](https://michcapcon.com/30387).



2023 in Michigan could see \$15 minimum wage, right-to-work repeal

Removing the means test for food stamps is also on the Democrats' wish list

BY JAMES DAVID DICKSON

To understand what's possible in Lansing in 2023, when Democrats control the Capitol for the first time in 40 years, you can take one of two approaches.

You can scour through MichiganVotes.com, finding bills introduced by Democrats, with many co-sponsors, that got no traction in the current Republican-controlled legislature. Or you could check the Twitter account of State Sen. Dayna Polehanki, D-Livonia, who, on election night told Michigan exactly what the future holds.

As the senator tweeted Wednesday morning, in the afterglow of victory: "We got ALL the gavels. Get ready for some cha-cha-cha-changes here in Michigan."

"Good news, labor!" Polehanki added. "Union-busting 'Right to Work' is gonna go bye-bye."

Polehanki's tweets are worth reading, both for the roadmap they provide, and the window they give into the mindset

of Lansing's new ruling party. The Democrats will pursue Progress, by any means necessary.

In March 2021, Rep. Abraham Aiyash, D-Hamtramck, introduced House Bill 4413, which would mandate a state minimum wage of \$15 in 2026, up from \$9.65. The wage scale would escalate a little each year after that.

How will the dollar amount and the timing be affected by one-party rule in 2023? Will \$15 still be the number? Will it be phased in? Or will Democrats jump in headlong, believing they've been given a change mandate?

House Bill 6340, introduced in July by Rep. Felicia Brabec, D-Ann Arbor, would, per MichiganVotes.org: "[R]equire the Senate Fiscal Agency to include a disparate impact statement based on race and ethnicity in the summary or analysis produced for a bill amending laws on criminal justice, economic stability, education, employment, health care, housing, or transportation."

As the legislation reads, "if the bill involves criminal justice, economic stability, education, employment, health care, housing, or transportation, an analysis of whether the bill is likely to have a racially or ethnically disparate impact" is required, to be conducted by the Senate Fiscal Agency.

Senate Bill 725, introduced in March 2021 by State Sen. Jeff Irwin, D-Ann Arbor, would remove means testing for food stamp recipients.

As MichiganVotes.org explains, "the benefit would no longer be limited to beneficiaries who have few or no assets. Under current law and rules food stamp recipients may not have assets worth more than \$15,000."

Soon, there might be no limits — on eligibility, on spending, or on the involvement of state government in every aspect of your life and livelihood. ■

The original version of this story was posted online on Nov. 13, 2022 and is available at MichCapCon.com/30372.

Biden touts unions at nonunion factory in Bay City

SK Siltron in Bay City is not staffed by union labor; Michigan unions down 140K members since 2012

BY JAMES DAVID DICKSON

When President Joe Biden visited the SK Siltron chip factory in Bay City in November, he touted the value of unions. He said they built the middle-class.

But the plant where he gave the remarks is not a union shop.

"The middle class built America, and unions built the middle class," Biden said. "That's a fact."

Biden continued, according to the White House transcript:

Folks, where is it written that America will not lead the world in manufacturing again? Where's that written?

Now the United States is a top destination for companies across the globe looking to make investments in manufacturing again. They see what I see, what you see: We have world-class, high-skilled, highly committed workers. Union workers.

Union workers are the most highly trained, highly skilled workers in the entire world. That's not a joke; that's a fact. That's a fact.

They're building these factories. They're working in them as well. This wasn't built. This was here.

SK Siltron's chips will indeed be made in Michigan. Biden is right about that.

But they won't be made by union workers. Biden was wrong about that.

"The employees at the site are not represented by a union," Joe Guy Collier, spokesman for SK Siltron, told Michigan Capitol Confidential in response to a query.

"The construction at the site is being done primarily by union workers, but the actual SK Siltron CSS employees that will make the product are not union."

Across Michigan, union membership is down 142,505 from 2012, when the right-to-work law was signed.

Today about 399,772 Michigan residents are union members, compared to 542,277 in 2012, according to a Mackinac Center review of federal LM-2 forms and reports from the Michigan Civil Service Commission. ■

The original version of this story was posted online on Dec. 2, 2022 and is available at MichCapCon.com/30406.

Proposed Michigan court rules would hurt renters in the long run

Eviction diversion prolongs the inevitable

BY JAMES DAVID DICKSON

Renters will suffer the most if Michigan's court system makes pandemic-era court rules permanent, as has been proposed.

Michigan was already considered a tenant-friendly state in landlord-tenant cases, but property owners and managers say the pandemic court rules have made things worse. The Mackinac Center has argued that the proposed rules affect the substantive rights of landlords and should not be made permanent. The State Court Administrative Office is expected to decide soon what will become of the proposed rules.

Leslie Etterbeek's LR Management, of Troy, is property manager for 10,000 rental units in 32 Michigan counties.

Before the pandemic, a nonpayment rate of 1% to 3% was common. So anywhere from 100 to 300 units.

These days, the nonpayment rate is 15%, Etterbeek told Michigan Capitol Confidential.

"I've never in the past had a lot of evictions or problems with people not paying. And I just think there's a very bad misuse of the system currently," Etterbeek said.

"No landlord wants to evict anyone," Etterbeek said. But when it has to happen it's best for all if the process moves quickly. Before the pandemic, it did."

"When they left, it wasn't with an insurmountable amount of debt," Etterbeek said.

But the pandemic lengthened the process. Rental assistance programs were available, and now there is increased legal representation for tenants.

The eviction process now includes multiple adjournments and "empty" hearings, Etterbeek said. Meanwhile, the renter's debt meter keeps running. Now people are leaving with \$7,000 to \$10,000 in debt.

"At that point, they can't really make an arrangement," Etterbeek said.

Difficulties with evictions extend to tenants who do pay their bills but don't follow the rules, said Kristin Lortie, a landlord in Houghton County. Lortie owns 11 rentals.

"A single tenant eviction issue is a major problem," Lortie said.



Even during the pandemic, landlords were able to pursue behavioral or rule-based evictions. But that process, too, has slowed, Lortie said.

Lortie says the new process makes land ownership less viable in Michigan.

"The state of Michigan has compounded the risk to my property rights," Lortie told CapCon. "We have a voluntary payment system now. Why should they (the tenant) pay rent? Why should they move out when the lease is over? Why should they follow the rules?"

In her studies, Lortie became familiar with the eviction diversion movement. She warns that if its ideas take root, the property market for Michigan landlords will be upended.

"Stakeholders should act now to make key pandemic-era changes permanent to continue to prevent a wave of harmful pandemic-related evictions and a return to high pre-pandemic eviction levels," reads a June 2021 report called Reducing Michigan Evictions: The Pandemic and Beyond.

Three times in one paragraph it mentions the word "pandemic." The report was published by the Poverty Solutions program at the University of Michigan.

In 2020 evictions were paused on the belief that, during a global pandemic, it wouldn't be safe to have sheriffs going into people's homes, or to have people looking for new housing. That made sense, once upon a time.

But President Joe Biden said in September that "the pandemic is over."

To retain pandemic-era policy changes without a pandemic to justify it is to strike against evictions as a concept. It's to strike against the property rights of the landlord to remove a nonpaying tenant in a timely fashion.

This is politics, not public health. The U-M report admits as much.

"A growing body of research has documented the detrimental effects of eviction on individuals, households and neighborhoods," the report reads. "This evidence suggests that eviction is not merely a symptom of poverty but also a cause of it."

The new court rules are about avoiding evictions by any means necessary. If the pandemic has ended, so too should pandemic-era rules.

A tenant-friendly system is fine. But there's nothing tenant-friendly about letting

people rack up debts they can't possibly pay back. These debts will make it harder for them to find housing next time.

As the U-M Poverty Solutions report explains: "Households who move as a result of an eviction, rather than by choice, move to poorer, higher-crime neighborhoods and are more likely to experience problems with their new housing like broken appliances, exposed wires, or lack of heat."

Evictions can be delayed but ultimately will happen. If tenants face these difficulties after evictions now — after falling only a month or three behind — what will become of the tenant who leaves with thousands of dollars of debt and needs to find a new landlord? Tenants who delay the inevitable, on the advice of counsel, have not done themselves any favors.

When they are kicked out, they will "move to poorer, higher-crime neighborhoods," and do so with a mountain of debt. ■

The original version of this story was posted online on Dec. 4, 2022 and is available at [MichCapCon.com/30409](https://michcapcon.com/30409).

Michigan teachers unions continue to shed members

Latest filings show that MEA has lost 1,000 members since last year

BY JAMIE A. HOPE

The latest report from the state's largest education union shows that the Michigan Education Association shed 1,000 members since the previous year, continuing a trend. The number comes from the LM-2, a financial report the MEA and other labor unions must file with the U.S. government. According to the report, MEA's revenue decreased to \$84.2 million, and its membership stands at its lowest in at least 22 years.

Michigan has a right-to-work law, which prevents unions from getting a worker fired for not paying union dues or fees. When the law was enacted in 2012, the MEA had 117,265 members. The number has dropped consistently in the last ten years, reaching 79,839, a 31.9% decline.

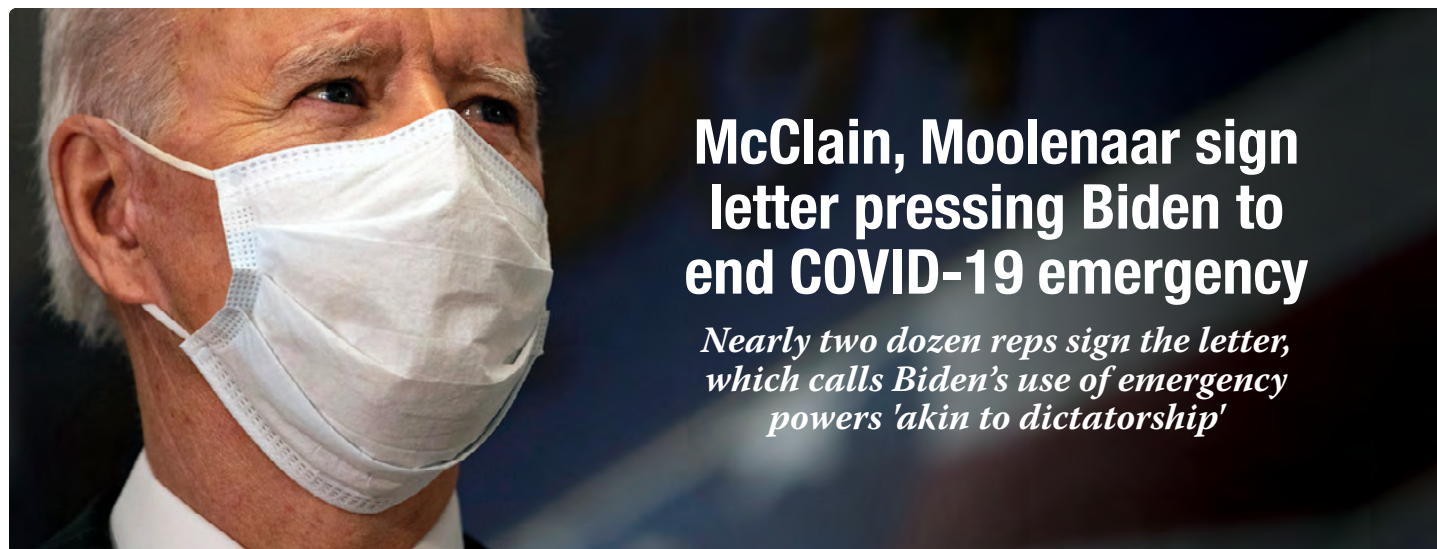
On a national basis, education unions have suffered significant losses since the landmark case *Janus v. AFSCME* of in 2018. The U.S. Supreme Court ruled in favor of right-to-work protections for all public employees in the country, including teachers in public schools. The MEA's parent organization, the National Education Association, has lost 203,263 dues and fee payers, a 7.6% loss, since the *Janus* ruling.

The American Federation of Teachers, another major national union, lost 141,131 members and fee payers, or 10.3%, since 2018. AFT-Michigan went from 25,068 in 2012 to 18,021, a 28.1% decrease.

AFSCME, which represents a variety of employees in government jobs, has lost 126,097 members nationally, a 10% decrease, since the *JANUS* decision. AFSCME in Michigan declined from 48,625 members in 2012 to 24,728 in 2022, a 49.1% drop.

The MEA, AFSCME and AFT did not respond to a request for comment. ■

The original version of this story was posted online on Dec. 8, 2022 and is available at [MichCapCon.com/30410](https://michcapcon.com/30410).



McClain, Moolenaar sign letter pressing Biden to end COVID-19 emergency

Nearly two dozen reps sign the letter, which calls Biden's use of emergency powers 'akin to dictatorship'

BY JAMES DAVID DICKSON

Two members of Michigan's congressional delegation — Rep. Lisa McClain, R-Bruce Township, and Rep. John Moolenaar, R-Midland — signed a letter to President Joe Biden Thursday, urging the end of the COVID-19 emergency. They joined nearly two dozen colleagues in doing so.

The letter was signed by 23 members of Congress, all Republicans, and was obtained by The Daily Caller. In January, Republicans will take control of the U.S. House. Biden has extended the COVID-19 emergency through April 2023.

“[A]fter trillions of dollars spent on relief efforts, as well as your own assertion in September that the ‘pandemic is over,’ we are perplexed as to why your administration desires that the PHE [public health

emergency] be continued,” the letter reads. “Nearly three years have elapsed since its original declaration and the metrics of returning to a normal healthcare status in the United States have been reached.”

Thursday's letter means that Biden has now faced pressure from both houses of Congress to end the COVID-19 emergency, which dates to March 2020.

Last month, 62 senators voted to terminate the COVID emergency. Thursday's letter cited that Nov. 15 vote. It reads, in part:

“On November 15, 2022, the Senate passed S.J. Res 63 by an overwhelming majority which would effectively terminate the national emergency declared by the President on March 13, 2020. In response, the Office of Management and Budget published a Statement of Administration

Policy, with zero objective data to support the reasoning, stating the President will veto the joint resolution.”

The letter continues: “Your administration continues to exercise unprecedented executive powers reserved for national emergencies. Our nation is simply no longer in such a state and the continuation of this abuse of power is akin to dictatorship.”

The letter asks eight questions of the Biden administration, including when it plans to end the public health emergency, the continued rationale for continuing it, the objective of the emergency, the scientific metrics the administration will use to end it, and its estimated cost. ■

The original version of this story was posted online on Dec. 9, 2022 and is available at [MichCapCon.com/30432](https://michcapcon.com/30432).

Like Whitmer, Biden clings to COVID emergency powers

Michigan Senators Peters and Stabenow voted no on effort to terminate COVID emergency

BY JAMES DAVID DICKSON

The U.S. Senate on Tuesday voted, by a 62-36 margin, to terminate the COVID-19 emergency that began in March 2020 and has been extended many times since.

The White House responded quickly. In the lone underlined sentence in its statement on Senate Joint Resolution 63, it wrote: “If Congress passes this resolution, the President will veto it.”

“While COVID-19 is no longer the disruptive threat that it once was and

we have made tremendous progress in combating the virus, the virus continues to pose a risk to the American people and our health care system,” read the White House statement.

President Joe Biden refuses to release his grasp on emergency powers conferred by the virus.

His onetime potential running mate, Gov. Gretchen Whitmer, has done the same, vetoing eight bills last month that would have put guardrails on the

governor's use of emergency powers in Michigan.

That 62 senators could agree on such a resolution, countermending the president's emergency order, is notable. This was a bipartisan effort.

Michigan's two senators, Gary Peters and Debbie Stabenow, voted no, and in favor of Biden's ongoing use of emergency powers. ■

The original version of this story was posted online on Nov. 17, 2022 and is available at [MichCapCon.com/30163](https://michcapcon.com/30163).



Granholm denies Whitmer request for aid to reopen Palisades

Nuclear plant supplied 15% of Michigan's clean energy

BY JAMES DAVID DICKSON
AND JASON HAYES

Does it help, having friends in high places? It might if you're angling to be the first one to get your boat into the water next spring. But having the governor in your corner — or the Energy Secretary in her corner — appears to have done nothing to help a struggling nuclear plant in the southwest corner of Michigan.

To be fair, the plant might have had a better chance if Gov. Gretchen Whitmer had voiced her support earlier in the multi-year plan to close the Palisades Nuclear Generating Station near Covert.

Entergy, the plant's owner, announced in 2016 that they intended to close the plant as early as 2018. But Whitmer waited until the plant's final days before suddenly determining that "keeping Palisades open [was] a top priority."

In a September news release, she lauded the plant and nuclear energy as an essential way to "keep energy costs low, shore up domestic energy production, and increase Michigan's competitiveness for future economic development."

Whitmer described how continued operation of the plant would empower economic opportunity, protect 1,700 local jobs, continue to produce "enough clean, reliable energy in Michigan to power hundreds of thousands of homes and small businesses."

Even with Whitmer's support, plant owner Holtec International's bid to secure federal funds to resume operations at Palisades failed when former Michigan governor and now U.S. Energy Secretary Jennifer Granholm denied Holtec's request.

Despite the setback, Holtec spokesman

Pat O'Brien expressed appreciation for "the consideration that the Department of Energy (DOE) put into our application for the Civilian Nuclear Credit program." O'Brien understood their proposal to restart "a shuttered nuclear plant, would be both a challenge and a first for the nuclear industry."

Only a few days later, the Department of Energy conditionally approved \$1.1 billion in funding to continue operations of California's Diablo Canyon nuclear plant.

Granholm supported the federal bailout of California's plant, arguing the spending is a "critical step toward ensuring that our domestic nuclear fleet will continue providing reliable and affordable power to Americans as the nation's largest source of clean electricity."

The Mackinac Center officially has mixed feelings about this issue, for two reasons.

The first reason is that the Palisades plant should never have been closed in the first place. The standard argument claims that nuclear plants around the nation are being targeted for early closure because they are having "trouble competing" with low-priced renewable energy.

But any business would have trouble competing with an industry that receives billions in federal handouts each year to produce a still-inconsequential portion of the nation's total energy use. Warren Buffet clarified the real reason for building renewables when he stated that subsidies were the only reason he'd invest in wind turbines. Buffet explained: "They don't make sense without the tax credit."

Headlines reporting that nuclear struggles to compete often gloss over the fact that there's more to dropping prices for

wind and solar than improved efficiency. The primary reason for their lower prices is that the American taxpayer is making up much of the difference.

Lower prices are also possible because the majority of the world's supply of polysilicon for solar panels and many solar components come from China. China heavily subsidizes its domestic solar industry, compounding the market distortions just discussed. Chinese regulations governing the release of toxic chemicals and air pollutants are also less strict than North American regulations, and Chinese manufacturing of solar components is powered by ever more coal. But that energy source is being rapidly shuttered in North America and Europe.

Western greens lie to themselves and to us when they point to decreased pollution as an essential part of a transition from fossil fuels to solar in North America. The pollution they claim to avoid has simply been offshored so other people and nations deal with it.

Furthermore, the U.S. Department of Commerce warns that "Intellectual property infringement and theft is widespread in China" and Chinese regulations often require foreign companies to "share their IP" with regulators before they are allowed to operate in China. In both cases, western companies operate at a distinct competitive disadvantage when their trade secrets are forcibly shared with competitors.

Lastly, and most importantly, the U.S. Department of Labor has added Chinese polysilicon to the list of items the Labor Bureau "has reason to believe are produced by child labor or forced labor." A recent report by the U.N. Human Rights Commission charges that the

Chinese government has enslaved more than 2 million Uyghurs, Kazakhs, Kyrgyz, Uzbeks, and Huis. Many of these people have been forcibly detained and placed into "employment schemes," requiring them to produce polysilicon and solar components.

In simple terms, Chinese solar products have much lower prices due to the use of slavery, subsidies, IP theft, and lax environmental regulations. No serious review of these conditions can claim this either a moral or competitive option.

The Mackinac Center's second concern is far more succinct: Two wrongs don't make a right.

Ladling billions in additional subsidies from the Civil Nuclear Credit program to prop up failing nuclear plants is a wasteful and regressive policy option. A far more simple and sensible solution would be to remove the subsidies propping up wind and solar and allow all energy sources to compete on a transparent and level playing field.

If this policy option were chosen, we would not have endangered the operations of a plant which provided 6.5% of Michigan's total power supply, and 15% of its emissions-free electricity.

Palisades could have continued to supply reliable, clean, and safe electricity supplies for at least the nine years that remained on its operating license, if not many more.

Instead, by closing reliable generation and focusing ever more of our energy supply on weather-dependent renewables, we deliberately choose to leave ourselves vulnerable to "cloudy, windless days." ■

The original version of this story was posted online on Nov. 26, 2022 and is available at [MichCapCon.com/30390](https://michcapcon.com/30390).

Rent control could be coming to Michigan mobile home parks

Six of the eight legislators who endorsed the idea will be in the majority next year

BY JOHN LAPLANTE

When control of the Michigan Legislature switches to Democrats in January, expect some bills that have not received attention under Republican control to get more traction. Two possible bills would impose rent control on mobile home parks.

House bills 5396 and 5397 were introduced in the Michigan House by Rep. Darrin Camilleri, D-Brownstone, in October 2021. They would put price controls on lot rents and require park owners to get state government permission to raise rents.

House Bill 5396 would limit lot rent increases during a year to no more than the general inflation rate, as measured by the CPI, or consumer price index.

House Bill 5397 would require any person or company that owns a mobile home park to get the permission of a state commission before raising lot rents. Owners would need to notify the government at least six months before the increase goes into effect.

The Michigan Manufactured Housing Commission, whose members are appointed by the governor, would oversee the requirements. Its members include local government officials, mobile home manufacturers, home dealers, organized labor and park residents.

Advocates of government-imposed limits say that mobile home park residents need them. “Unlike a normal landlord-tenant situation, they can’t just pick up and move. Moving your home is costly and difficult,” one New York official told the New York Post in 2019. Rent controls are politically popular; according to an Oct. 22 article published by the Santa Clara

Press Democrat, 104 local governments in California impose rental control on lot rentals.

But efforts to establish controls ran into significant opposition in another state last month. Legislators in Colorado were considering a rent control law, and Gov. Jared Polis, a Democrat, threatened to veto a bill that would have create statewide rent controls on mobile home lots in the Centennial State. According to Colorado Public Radio, Polis was concerned that the measure could lead to some parks being closed or abandoned.

Economists are skeptical of rent controls, though the issue of rent control is usually

framed in terms of apartments rather than mobile home parks. In a recent online poll conducted by the University of Chicago, only one of 25 academic economists who expressed an opinion on rent control thought it was beneficial. David Autor, an economics professor at MIT, wrote, “Rent control discourages supply of rental units. Incumbent renters benefit from capped prices. New renters face reduced rental options.”

Both HB 5396 and HB 5397 are sitting in the Committee on Regulatory Reform, with one sponsor and seven co-sponsors, all Democrats. Five of the legislators will serve in the next House or Senate, including Camerilli, who will move from the House to the Senate.

Michigan Capitol Confidential sent an email to Camerilli’s official e-mail account. As of press time, he did not reply. ■



The original version of this story was posted online on Nov. 21, 2022 and is available at [MichCapCon.com/30401](https://michcapcon.com/30401).

John James cautions against China dependency, arbitrary deadlines in transition to EVs

EVs mean a slimmed down auto industry; James says government should not force transition

BY JAMES DAVID DICKSON

When incoming U.S. Rep. John James takes office in January, he will, he says, represent the top manufacturing district in all of America. While James hopes that Michigan can lead in the transition from internal combustion vehicles to electric vehicles, he cautions against doing so prematurely, on arbitrary deadlines, and in a way that makes the country dependent on China.

James has cited environmental and human rights reasons for his caution against a rush to EVs. In August, The Detroit News reported that James told a group of Macomb County voters that EVs are “terrible for the planet.”

As The News reported:

“I don’t think folks are looking at how we go about mining these things,” James said.

James said he’d favor blocking the sale of metals for EVs from China, the Congo and other countries that commit human rights abuses, even if it crippled U.S. production of EVs.

“One thing we cannot have happen, under any circumstance, is condoning slavery,” said James, who is five generations removed from slavery in his own family. “I’m not good with that.”

Three months later, when posting to Twitter an interview he had with Fox Business Network, James wrote, “A successful transition from ICE to EVs is critical to Michigan’s & the U.S. economy,” adding “I will do everything to make sure the 10th CD not only has a voice but helps lead the discussion!”

Abby Mitch, a spokesperson for James, told Michigan Capitol Confidential that

James is not against EVs, or pushing for them. James, Mitch said, worries about the pace of the transition, and the human rights and environmental concerns currently presented by EVs.

“Arbitrary deadlines cause us to be dependent on Chinese factories,” Mitch said. “We don’t have any time to build our own infrastructure here, that causes us to be completely depending dependent on other countries for rare mineral mining, and it causes domestic job loss.”

CapCon has written previously that EVs come with serious moral and environmental trade-offs, just as internal combustion engines do.

It’s those trade-offs that James is trying to navigate. Michigan’s auto heritage does not guarantee the future, especially if EVs and internal combustion engines

are viewed as different projects, as Ford views them.

James would prefer the market to decide which technology wins out, not Washington. Regardless of the means of powering the automobile, James hopes cars will continue to be built in Michigan.

“It’s not the role of government to stop a private industry that wants to sell electric vehicles instead of combustion,” Mitch told CapCon. “It is not our job to tell them they can’t do that. However, it is also not the government’s job to force the hand of industry and force people out of jobs and create unwise dependencies on foreign actors that have not been kind.” ■

The original version of this story was posted online on Nov. 30, 2022 and is available at [MichCapCon.com/30401](https://michcapcon.com/30401).



Michigan museums and zoos cash in with 2023 state budget

Lawmakers were generous in granting the public's money to private institutions

BY JAMIE A. HOPE

The Republicans and Democrats do not always agree on public policy and what they think is the most beneficial for Michiganders. One thing the two parties often seem to agree on, though, is spending taxpayer dollars on projects that are not necessary for the functioning of government. As The Detroit News has reported, they allocated a billion dollars in legislative earmarks for public and private projects across Michigan.

The 2023 budget included lavish pork projects, including \$40 million for the arts. The Republican-controlled legislature and Democratic Gov. Gretchen Whitmer also came together to give tens of millions to museums and zoos throughout the state.

Museums and two zoos will be propped up with taxpayer funds through \$25.3 million in grants. The lion's share of the money will go to three museums, totaling \$21 million.

Grand Rapids is set to receive \$30 million for an amphitheater and another \$11 million for the Grand Rapids Public Museum.

The museum received over \$6 million in government grants in 2020, according to its

most recently available 990 form, which is filed with federal officials. The form does not specify if the money came from federal, state, or local funds. The museum is working on a \$70 million expansion, according to WOOD-TV in Grand Rapids.

The Jim Crow Museum at Ferris State was earmarked \$1 million from the state budget. It is unclear why the money was designated, and there was no response to a request for comment from the museum.

The Detroit Historical Society Museum will receive \$4 million from taxpayers. Its most recently available form 990 form is for 2018. It shows the museum was given \$612,500 in government grants. Total compensation and employee benefits totaled \$2.2 million. Officials at the museum did not respond to a request for comment.

The Charles H. Wright Museum in Detroit was granted \$6 million from the current budget. The last 990 form, available from 2019, shows the museum received \$2.8 million from government grants.

In a statement, Neil A. Barclay, president and chief executive officer of the Wright Museum, told Michigan Capitol Confidential:

The Charles H. Wright Museum has more than \$25 million in deferred maintenance on an aging building, and the funds will be used to make critical capital improvements to ensure the facility can stay operational and not close due to facility issues. The \$6 million in funding will help leadership address these needs, while navigating supply chain issues and on-going repair needs. We are seeking additional funding to close the gap.

The Flint Children's Museum will get \$500,000. It did not receive any government grants in 2019, according to the most recent 990 form.

Potter Park Zoo is being awarded \$2 million. It is not known what the money will be used for, and the zoo did not respond to a request for comment. Its most recent 990 form is from 2020, and it shows the zoo was given \$210,500 in government grants.

The state is awarding \$800,000 to Binder Park Zoo. It did not receive government grants in 2019, the most recent year covered by a publicly available 990 form.

Diane Thompson, president and chief executive officer of Binder Park Zoo, says the money will go to a new ropes course and zipline.

Thompson said the project is complete, but the zoo is using the money for an entrance plaza that will allow people to enter the course without having to go into the zoo.

The zoo will also incorporate restrooms in the entrance area. Thompson says the zoo serves the community in a number of ways, including through education programs and recreational activities.

CapCon sent a request for comment to Sen. Jim Stamas, R-Midland, chair of the appropriations committee. It also sent requests to the following members of the committee: Sen. Tom Barrett, R-Charlotte; Sen. Jon Bumstead, R-North Muskegon; Sen. Kim LaSata, R-Niles; and Sen. John Bizon, R-Battle Creek. CapCon has not received a response from any of those legislators. ■

The original version of this story was posted online on Nov. 25, 2022 and is available at [MichCapCon.com/30394](https://michcapcon.com/30394).



Managing Editor: James David Dickson **Designer:** Dixon Anderson

Michigan Capitol Confidential is published quarterly by the Mackinac Center for Public Policy, a nonprofit, nonpartisan, tax-exempt research and educational institute devoted to analyzing Michigan public policy issues. Michigan Capitol Confidential is distributed to Michigan residents who have expressed an interest in public policy matters, as well as members of the media and lawmakers and policy staff in the Michigan House, Michigan Senate and Office of the Governor. All rights reserved. Permission to excerpt or reprint is hereby granted provided that Michigan Capitol Confidential, the author and the Mackinac Center for Public Policy are properly cited.

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MichiganVotes.org

A sampling of proposed state laws, as described on MichiganVotes.org.

House Bill 6524

Impose 100% renewable electricity generation mandate on utilities

Introduced by Rep. Yousef Rabhi (D)

To mandate that 100% of the electricity sold in this state be from sources defined as “renewable” (subject to a broad range of exceptions and exceptions), and empower state officials to grant a different menu of exemptions and exceptions as specified in the bill.

House Bill 6544

Ban “assault weapons”

Introduced by Rep. Jeffrey Pepper (D)

To prohibit the possession or sale of a semiautomatic rifle with a detachable magazine, pistol grip or thumbhole stock, folding stock or barrel “shroud,” which the bill labels “assault weapons.” Current owners would be allowed to keep their guns if they registered them with the State Police every five years, with violations subject to five years in prison.

House Bill 6565

Mandate rental housing lease renewals with price controls

Introduced by Rep. Yousef Rabhi (D)

To mandate that rental housing landlords must include a right to lease renewal and price controls in rental contracts. Specifically, a landlord would be prohibited from raising the rent more than 5% after a lease expires.

House Bill 6566

Ban gun raffle fundraisers on school grounds

Introduced by Rep. Julie Rogers (D)

To ban raffling-off firearms at fundraisers on school grounds.

House Bill 6503

Ban classroom instruction on “gender identity” before 4th grade

Introduced by Rep. Beau LaFave (R)

To prohibit public schools from providing classroom instruction “concerning sexual orientation or gender identity” to children in kindergarten through third grade, or instruction “in any manner that is not age-appropriate or developmentally appropriate for” students.

Senate Bill 450

Ban emergency rules that bar hospital or nursing home visitors

Introduced by Sen. Jim Stamas (R)

To prohibit state or local emergency orders that prohibit or limit a family member or patient representative from visiting a patient or resident in a health care facility or nursing home, subject to reasonable limits on the number of visitors at one time and other precautions.

Senate Bill 1222

Revise Detroit convention facility details

Introduced by Sen. Wayne Schmidt (R)

To authorize making the former Cobo Hall convention facility in Detroit, now called “Huntington Place,” eligible to enter a “public-private arrangement” with Detroit authorities. The bill revises a number of other details in a state convention facility law that uses various tax surcharges to subsidize these and related facilities around the state.

Senate Bill 1223

Revise Detroit convention facility details

Introduced by Sen. Wayne Schmidt (R)

To revise details of the allocation of specified liquor tax revenue to county convention authorities and facilities. Includes \$5M/year subsidy for Detroit’s QLine train through 2039.

House Bill 6562

Pay state minimum wage for prisoner work

Introduced by Rep. Yousef Rabhi (D)

To replace the prescribed pay schedule for prison labor with a requirement that prisoners get paid the same minimum wage mandated by the state for all workers.