

PUBLIC POLICY RECOMMENDATIONS





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Snapshot of 2022 Top Policy Priorities



Fiscally Responsible State Government

Policymakers must properly prioritize how to spend taxpayers' scarce resources. Our focus in 2022 will be making sure state resources go toward such things as tax cuts and infrastructure improvements that benefit us all, not toward corporate handouts that benefit only a few. The state should avoid taking on new debt or raising taxes.



More Choice and Flexibility in Schooling

The COVID-19 pandemic showed the dire need for more flexible learning options for students. Technology makes it possible for Michigan students to learn from virtually anywhere and from virtually any source. State law and rules are still rooted in a one-size-fits-all, brick-and-mortar approach to schooling that stands in the way of needed innovation. We'll aim in 2022 to promote policies that give more choices to more parents, better match students' interests with their opportunities and put more competitive pressure on schools to improve.



Reforming Health Care

Health care costs continue to soar, and government policies often contribute to the problem. In 2022, we will focus on containing these costs, with policies to put guard rails on the state's expensive programs and inject more competition in the system to better serve consumers. The state should also learn from its experience with COVID-19 and build more flexibility for health care providers and professionals.



Affordable Energy and Responsible Environmental Protection

While state bureaucrats and the monopoly utilities seem fine with ever-increasing electricity rates, we know that these costs are killing businesses and making Michigan less competitive with its neighbors. In 2022, we'll push for responsible energy policies that put Michiganders first by helping reduce the cost of electricity for all consumers.



Criminal Justice

A lot has been accomplished in this area lately, but more reforms are still needed. In 2022, we'll promote reforms to reduce overcriminalization and ensure recent reforms to the practice of expunging records are implemented well.



Government Transparency & Privacy Protection

Michigan is still one of the only states in the country that exempts its legislature and governor from public documents disclosure. Public bodies are becoming worse at complying with public record requests in a timely and comprehensive manner. We'll try to change that in 2022, as well as work for a policy to protect the privacy of donors to nonprofit organizations.



Reining in Regulations

Michigan is overregulated, and this costs Michiganders opportunities and jobs. In no place is this more clear than occupational licensing, the rules that put needless hurdles in the way of aspiring entrepreneurs and workers while raising costs for consumers. We'll work to reduce those burdens and promote a thorough review of other harmful regulations and administrative rules.







Refuse Corporate Welfare "Tool" for Economic Recovery

Michigan lawmakers give taxpayer cash to favored businesses ostensibly so that they will locate or expand their operations in the state. This is expensive to the state budget, unfair to the businesses that do not receive these benefits and ineffective at creating a meaningful number of jobs. Unfortunately, some lawmakers want to spend more on business subsidies. This call should be rejected, and existing programs should be redirected to more productive uses.

Leverage Revenue Growth in Budget to Reduce Taxes

Lawmakers are awash in money to spend thanks to extraordinary federal transfers to the state budget and tax revenue growth that beat expectations. They should be careful not to let this largesse ratchet up a new normal for the price of government. Instead, they should ensure that taxpayers benefit from these gains by lowering personal and corporate income tax rates. The state budget can afford it, it would improve Michigan's competitiveness, and it would encourage job growth.

Put Roads Back Together Faster Than They Fall Apart

Taxpayers in Michigan spend heavily on roads due to tax increases enacted in 2015. Lawmakers made roads a priority for the growth in the state budget, and this increase in spending has slowed the expected deterioration in road conditions. The state is close to the point where it puts roads back together faster than they fall apart. By dedicating a small portion of its growing resources to road repair, Michigan can expect continuing improvement in transportation infrastructure.

Labor



Janus Implementation

The U.S. Supreme Court ruling in Janus v. AFSCME found that public employees have First Amendment rights to decide whether to pay a union, and that payment to a union cannot be mandated as a condition of employment. Michigan lawmakers should reform any state policies that may be out of compliance with the court's expressed intent in Janus. Government employers may only withhold dues from paychecks if they have proof of clear and affirmative consent from employees that they want to waive their First Amendment rights. Lawmakers should require state agencies to ensure that they have proof of affirmative consent to withdraw union dues from employee paychecks.

Require Collective Bargaining Transparency

Collective bargaining between government employers and unions determines how taxpayer money will be spent. Therefore, contract negotiations between public sector unions and government entities should be subject to open meetings and freedom of information laws, so that these decisions are fully transparent to the public. In addition, workers who have opted out of union membership should have the same access to tentative bargaining agreements, as they are still bound by the terms of these contracts.

Education



Enact Student Opportunity Scholarship Program

Michigan students need to get back on track, with greater freedom for their parents to guide and direct their education. Student Opportunity Scholarships would offer families the same level of access and affordability that parents in many other states already enjoy, by giving them access to tax-credit scholarship funds. This would enable them to meet their children's unique academic needs with instruction, materials and services which are, in many cases, not available to them in the public school system. A tax-credit scholarship program allows individuals and companies to make donations to nonprofit organizations that in turn distribute scholarships on behalf of children, with the family controlling the funds in a child's account. Donors receive a dollar-for-dollar state income tax credit, until the state's \$500 million cap is reached.

Launch Flex Learning Pilot Program for High School Students

High school students across Michigan, and especially those in rural areas or from low-income families, deserve access to a greater variety of credit-bearing courses and other learning opportunities. The state should allow students in the upper grades to opt into Flex Learning. While remaining enrolled in a home district, a Flex Learning student would have access to foundation allowance funds to "purchase" any online, dual enrollment, or other academic courses, career training or apprenticeship program that is operated by or set up in partnership with a Michigan district, charter school, community college or public university. Funds should also pay for other education-related services, including internet access and transportation, as well as incentives for students who meet graduation requirements early.

Enhance Curriculum and Financial Transparency

Greater parental awareness and concern about the content of classroom teaching calls for enhancements to ensure schools operate in a more accountable and transparent manner. School and district curricula, lesson plans and faculty and staff training materials should be made available in a timely manner and in a usable and searchable format on a district website's homepage. Existing financial transparency requirements should be strengthened as well. That includes posting all board-approved contracts, making intermediate school districts subject to all the same online disclosures as conventional districts and attaching financial consequences to failure to comply. All these enhancements would uphold the Michigan Constitution's principle that it is a "fundamental right of parents and legal guardians to determine and direct the care, teaching, and education of their children."

Health Care



Maintain the Sustainability of Michigan's Medicaid Program

During the early stages of the COVID-19 pandemic, Congress passed relief bills that increased the federal government's share of Medicaid costs. But the money came with strings attached, including a requirement that states cannot remove Medicaid recipients even if they are no longer eligible for benefits. This requirement puts taxpayers on the hook for potentially thousands of ineligible enrollees and crowds out funding for those who rely on the program and other state priorities — like education and infrastructure. Michigan lawmakers should ensure that the state health department develops a process to review the eligibility of those enrolled during the pandemic so ineligible enrollees can be removed once the federal emergency is ended. This action will protect the safety net and preserve resources for the state's most vulnerable people.

Additionally, lawmakers should review eligibility more regularly. That way, people who have a positive life event that changes their eligibility — like finding a job, getting a pay raise, or moving out of state — leave the program sooner, saving resources for those who truly need Medicaid.

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Reform Certificate of Need

Certificate of Need laws require health care providers to seek permission from a government board before opening or expanding their practices and adding new services and technology to address needs in their communities. Decades of research find that CON laws are associated with reduced access to care, decreased health care quality and higher costs. Michigan legislators should repeal CON requirements for imaging services and for increasing hospital and nursing home bed counts. More immediately, lawmakers should automatically suspend CON laws during a public health emergency, so health professionals can better respond to urgent needs of patients and communities.

Expand Scope of Practice for Health Professionals

Michigan faces a widespread shortage of primary care providers, and state rules on midlevel health care providers make the problem worse. Specifically, "scope of practice" restrictions prohibit licensed health care professionals — including nurses, nurse practitioners, physician assistants, nurse anesthetists and pharmacists — from practicing to the full extent of their education and training. Lawmakers should lessen these restrictions to increase access and reduce the costs of essential health care services.

More urgently, lawmakers should suspend scope of practice and licensing requirements restricting access to high quality health professionals both in- and out-of-state during public health emergencies. Removing these unnecessary licensing and scope of practice restrictions will relieve stress on the overall system by creating a larger pool of health professionals to treat ailing Michigan residents.

Expand Telemedicine Access

Michigan adopted a significant telemedicine expansion in 2020 that permits "store and forward" communication in addition to real-time provision of services. The reform also enabled Medicaid patients to fully benefit from telemedicine's convenience and flexibility by allowing them to use it in their homes and at school or work. To increase access even more, Michigan lawmakers should allow qualified, licensed health professionals from other states to offer remote services within their scope of practice to Michigan residents.

Environmental



Prevent Closure of Line 5 and Encourage the Construction of the Line 5 Tunnel

A bipartisan majority of Michigan's House of Representatives approved a June 2020 resolution encouraging the "the timely issuing of permits for the construction of the Great Lakes Tunnel Project." This project has also been actively supported by an international and bipartisan mix of elected officials, business interests and unions from across the Great Lakes region. The Biden administration is also on record in opposition to closing Line 5.

Rapidly approving the permits needed to begin the construction of the tunnel would ensure the pipeline was removed from the waters of the Great Lakes while also maintaining essential energy infrastructure. However, the Whitmer administration has refused to accept any policy option other than immediate closure. But the governor's approach has actually ensured the existing pipeline continues to operate for longer than it would if the tunnel was constructed. Gov. Whitmer should join with the bipartisan and international coalition that supports the rapid permitting and construction of the Line 5 tunnel.

Maintain Affordable, Reliable Electricity for Michiganders by Promoting a Reliable Energy Standard

Michigan law requires that the majority of businesses and residents rely on monopoly utilities for 90% of statewide electricity services. Allowing other providers through open markets to supply any more than 10% of electricity needs is illegal. For this privilege, Michigan's monopoly utilities are required to provide "safe, reliable, and accessible energy services at reasonable rates," yet residents pay the highest rates in the region for some of the least reliable electricity in the country. Since competition was restricted in 2008, electricity rates in Michigan have increased by 39%, meaning residents pay rates that are now 16% above the national average.

Michigan's utilities have committed to impose further reliability issues and price increases by voluntarily committing to "net-zero CO2 emission" targets. DTE and Consumers both plan to meet these commitments by closing reliable and affordable fossil fuel and nuclear plants, while building expensive and unreliable solar and wind. Elected and appointed officials should require that any new electricity generation constructed in the state be fully dispatchable, meaning it must be able to supply reliable electricity when it is needed, not just when the weather cooperates.

Empower Private Conservation

Many citizens think of government as the only viable source of conservation efforts, but much can and should be done through private initiative, free markets and collaboration. As a means of promoting both conservation of Michigan's natural environment and the state's economy, the Legislature should promote — or, at the very least, not hinder — efforts that encourage conservation efforts on private land and that use private dollars.

∂ mackinac.org/28008

Protect Essential Energy Infrastructure

Several activist groups have engaged in "direct actions" against existing oil and gas or other energy infrastructure. They have claimed a First Amendment right to trespass on and interfere with the operation of oil and natural gas pipelines. They have expanded their justifications by claiming their well-being is in jeopardy from potential changes in climate. However, their justifications fall flat when one realizes that claiming a right to infringe on another's legitimate right (in this case property rights) makes the concepts of protected and natural rights nonsensical.

While Public Act 305 of 2005 makes it a felony to trespass on critical infrastructure, such as power plants or water works, other essential energy infrastructure is not clearly included in the list of recognized "critical infrastructure." The Michigan Legislature should update the list of critical infrastructure to include oil and gas pipelines, as the state of North Dakota has done.

Criminal Justice



Reduce Overcriminalization and Overregulation

Michigan's criminal statutes are scattered throughout our vast laws and number in excess of 3,100 — that's more than eight times the number of crimes contained in the American Law Institute's Model Penal Code. There are thousands more administrative regulations, many of which carry criminal penalties. The sheer quantity ought to make "ignorance of the law" a very reasonable excuse, especially when it provides for up to 90 days in jail for things like failing to put your name on your ice fishing shanty. The Legislature and executive branch should overhaul Michigan's criminal laws so that its citizens have a penal code that is modern, organized, intuitive and comprehensible.

Fully Implement Expungement Reforms

People who have committed crimes should be punished in a manner appropriate to the harm they caused. But once people have completed their sentences and shown over time that they are dedicated to a lawabiding path, they deserve the opportunity to get out from under their past mistakes. Unfortunately, too many Michiganders continue to be deprived of jobs and suitable housing due to decades-old criminal convictions, many for minor offenses. In 2020, Michigan adopted new laws that significantly expand the ability to expunge old criminal convictions and that automate the expungement process for some lower-level, nonviolent crimes. The Michigan Legislature should continue to provide sufficient funding and oversight on the integration of court record systems so that the automatic expungement can take effect as scheduled at the end of this year.

Government Transparency



Reform FOIA

Michigan consistently ranks as one of the worst states for government transparency. Citizens attempting to obtain public records regularly encounter excessive delays, fees and redactions. Michigan is also one of only a few states where the governor and Legislature are exempt from FOIA. Lawmakers should make efforts to amend FOIA to better serve its core purposes of transparency and government accountability.

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Require Economic Development Transparency

Michigan used to list exactly how much the state was spending on corporate welfare deals. Every company, how much they received in taxpayer incentives and what they pledged to do with the money was listed. This is no longer the case and the state is spending hundreds of millions of dollars — spending that is kept secret from the public.

Donor Privacy

There is no compelling government interest for state or local agencies to obtain the personal information of supporters of 501(c)(3), nonprofit organizations. Exposing this information can create weaponized data that political activists can use to harass, bully and menace those who hold different views and support different causes. Unfortunately, several states and a growing number of municipalities across the country are seeking to undermine Americans' constitutional freedoms of speech and assembly through forced disclosure laws and ordinances. Michigan state leaders should reject this trend and instead adopt legislation that prohibits state and local government agencies from obtaining personal information of the supporters of these important nonprofit organizations, which serve the varied interests of millions of Michiganders.

(Continued)

Defend Michigan's Votes in Presidential Elections

Since the American founding, the Electoral College has guaranteed that states like Michigan have a voice in presidential elections. Michigan's votes count regardless of how other states administer their elections. A new movement has arisen, however, to encourage states to nullify this part of the U.S. Constitution through an interstate compact. Fifteen states have already joined this compact, effectively handing over 195 presidential electors to the whims of California with its lax election safeguards. Michigan policymakers should reject any effort to join the National Popular Vote Interstate Compact and instead clarify in the state constitution that Michigan will award its presidential electors only based on votes cast by Michigan residents.

Regulatory Reform



Reduce Occupational Licensing Burdens

Michigan is limiting many people from obtaining jobs by erecting unnecessary obstacles in the form of occupational licensing laws. The state has made good, bipartisan strides on this issue in the last decade, especially in making it easier for those with criminal backgrounds or military service to get licensed. But there's more to do. Specifically, Michigan should join the five other states that have initiated a review process to regularly evaluate the necessity and propriety of all state occupational licenses. The state should also continue eliminating licenses and regulations which do not make sense. Finally, Michigan should look for opportunities to conform its licensure requirements and promote license reciprocity with other states so that new Michiganders can join our workforce more quickly.

Rein in the Administrative State

Michigan's regulatory regime is large, complex and powerful. State statute even empowers regulators to define criminal activity — making ordinary citizens criminally liable to the whims of unelected bureaucrats. Michigan needs to rein in the power of the administrative state, and the best place to start is a thorough review of the state's administrative code, to modify or remove regulatory rules that place too much power in the hands of bureaucrats.



If you have any questions or seek further clarification about these policy recommendations, please contact the experts at their email addresses listed previously. To see an online version, please visit:

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