



CAPITOL REPORT

December 4, 2008

Kelley Cawthorne is pleased to announce that **Mia D. McNeil** has joined the firm as legislative counsel and will begin her new duties on Monday, January 5, 2009.

Ms. McNeil, 29, is a graduate of Grand Blanc (MI) High School, Tennessee State University, and Thomas Cooley M. Law School.

Prior to her joining Kelley Cawthorne, Ms. McNeil worked in the Executive Office of Governor Jennifer Granholm, Division of Legislative Affairs. She has been active in grass roots political organizing including service as Michigan coordinator for Rock the Vote. In that capacity she served as a liaison to local media regarding voting issues and supervised statewide volunteers on voter registration and policy issues. She also was active in the Law Student Division of the American Bar Association while enrolled at Cooley.

“Mia McNeil is a great addition to our team,” said firm founder Frank J. Kelley. “Her knowledge of the law and practical grass roots political experience will make her a great asset and resource to all Kelley Cawthorne clients.”

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Two state legislative caucuses will have new leaders when the 2009-2010 session kicks off on Wednesday January 14.

Senate Democrats have elected as their Minority Leader Senator Mike **Prusi** of Negaunee and House Republicans have picked Representative Kevin **Elsenheimer** of Bellaire to head their caucus. On the majority side, the Senate will continue to be led by Senator Mike **Bishop** (R-Rochester) and the House by Speaker Andy **Dillon** (D-Redford Twp.).

Senate committees will be pretty much unchanged in 2009-2010, reflecting the fact that the upper chamber is in the middle of its four year term. House committees will undergo a major shake-up because of over 40 new members but it is virtually certain that Rep. George **Cushingberry** (D-Detroit) will continue to chair House Appropriations.

Biggest legislative events on the horizon are the all-important Revenue Estimating Conference set for January 9, the Governor's State of the State in late January, and the Governor's Budget Message to be released in mid-February.

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Governor **Granholm** is counting on major federal aid to prevent big cuts in the state's current Fiscal Year budget. Although this year's shortfall has been estimated at \$400 million, the Governor is now saying she will recommend a smaller Executive Order budget cut and will confine it to areas outside education, health care, and public safety. The National Governors Association is advocating \$40 billion in additional Medicaid funds and up to \$136 billion in infrastructure projects for the states. President-elect **Obama** is likely to sign into law state assistance somewhere around that level after he takes office January 20.

Senate Republicans point out that the state's huge structural deficit will remain intact if nothing is done to fix it and that could mean nearly a billion dollar short-fall in 2009-2010. Two pieces of good news on the state budget front, however, are that state revenue collections have been holding remarkably steady and the School Aid Fund actually has a surplus though it is mainly as a result of declining school enrollment.

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