

THE QUARTERLY REPORT July 2024

Message from the President

I hope everyone had a wonderful 4th of July holiday! I would like to extend my sincerest gratitude to those of you working in our 24-hour operations who may not have had time off for the holiday. Your dedication does not go unnoticed and you are appreciated!

As you all know, MAGE has been embattled with the Office of State Employer (OSE) regarding the current pay compression issues occurring across departments such as the Department of Corrections and the Department of Health and Human Services. We have continued to discuss these issues with OSE over the summer.

You may have heard that the Michigan Corrections Organization (MCO) sent a letter to the Governor asking to bring in the National Guard to help with the staffing crisis. We are hopeful that through our meetings with OSE, we will see positive outcomes, such as increased pay, additional safety training, better retirement options, will in turn, play a roll in alleviating the staffing crisis experienced by facilities across the State.

In May, MAGE held our Quadrennial General Council meeting in Mt. Pleasant, MI. MAGE Lobbyist, Todd Tennis was in attendance and provided a great explanation on retirement benefits and how they can and need to be improved. New MAGE board members were also elected at this time. I am excited to welcome our new Board Members: District 1 Deputy Director, Colleen Borgen, District 3 Director Jim Clifford and Deputy Director Daniel Porter, and District 9 Deputy Director Heather Paschal. It was also voted on and approved to merge Districts 1 and 2 together. District 2 members should have received notification via email informing them that they are now members of District 1.

District 3 members had a chance to attend a meeting on June 12 hosted by the new Officers, Jim Clifford, and Daniel Porter. District 6 members have also been provided with a meeting notice. This meeting will take place on August 8. Visit the MAGE webpage for more detailed information.

Please enjoy the remainder of summer and remember, if you need anything, please call the MAGE office. We are here for you!

Labor Representatives in Action

The MAGE Labor team has had a busy spring! MAGE had the opportunity to attend multiple trainings for the Department of Corrections, as well as host a few meetings with members in the Department of Health and Human Services and Treasury. MAGE Legal Counsel, Peter Neu and 1st Vice President, Brant Wimbush began meeting with the Office of State Employer to discuss the multitude of pay compression problems we are seeing across departments. These meetings will continue through summer. MAGE also attended the Coalition for Secure Retirement lobby day to advocate for better retirement options for State workers!

Labor Relations Tip!

Looking to volunteer for a community event or school trip for your kids? Don't Forget, every October 1, employees with 1,040 hours of service receive 8 hours of School and Community Participation leave. Check out Civil Service regulation 5.09 for more information or call the MAGE Office!

Benefit Spotlight

Don't forget! MAGE members have access to numerous benefits! This quarter we want to highlight the \$500 disability benefit.

- You must meet the following requirements:
 - Have been a member in good standing for 12 months and remained in good standing for the entire leave.
 - Been off work for medical reasons for 8 weeks or more.
 - o Have returned to work.
- Payment of this award is limited to one payment every two years.
- To apply for this benefit, once you have returned to work, contact the MAGE office for the necessary forms to complete.

LEGISLATIVE UPDATE HIGHLIGHTS (Provided by MAGE Lobbyist Todd Tennis)

The Michigan Legislature has recessed for summer after a frantic few days of session at the end of June. So far this year, the legislative calendar has been abbreviated due to a number of reasons including vacancies in the House and occasional absences of members. With the slimmest of majorities in both the Michigan House and the Michigan Senate, Democratic leadership has had their hands full trying to ensure 100% attendance, let alone secure votes to pass controversial legislation. This November, Republican House members will be pushing hard to recapture the majority in the House, while Democrats are working to maintain their lead.

This is one of the reasons there is not expected to be a great deal of additional session days before the election. House members of both parties are desperate to be in their home districts campaigning for reelection. It looks like there might be a handful of session days in September to complete work on legislative priorities such as increasing unemployment benefits and possibly passing a supplemental budget.

Legislature Passes Budget Just Before Deadline

In the early hours of June 27, the Michigan Legislature completed work on the Fiscal Year 2024-2025 budget and sent two appropriations bills to the Governor for her signature. The Omnibus Appropriations bill (Senate Bill 747) will fund state departments and agencies, while the K-12 Appropriations bill (House Bill 5507) will fund public schools and early childhood education programs. Both bills passed on party-line votes in the House, with 56 Democrats voting yes and 54 Republicans voting no. The K-12 budget also passed on a party-line vote in the Senate with 20 Democrats voting yes and 18 Republicans voting no. The Omnibus bill was mostly party-line in the Senate, with one Republican (Senator Ed McBroom, R-Vulcan) joining 20 Democrats to pass the legislation.

Several years ago, Governor Snyder signed into law a July 1 deadline for the Legislature to complete the budget each year. Although there are no penalties should they fail to do so, it is still a target that lawmakers work hard to meet. This year, they were able to complete the process with a few days to spare.

The Omnibus Budget bill totals just over \$59 billion in total spending that includes state and federal dollars. This is an overall increase from the current year budget of \$57.3 million. The total Omnibus Education budget, which includes K-12, Higher Education and Community Colleges, saw an overall reduction in total spending from \$24.2 billion in the current year to \$23.4 billion in the upcoming fiscal vear.

On paper, most departments are receiving reductions in total funding. However, that is almost exclusively due to the elimination of one-time state and federal funding included in the current year budget.

Corrections

The department received an overall 2.9% increase, with the largest hike going to Prisoner Healthcare Services which was bumped by \$16 million. There were also one-time funds added for the purpose of retrofitting a closed portion of the Thumb Correctional Facility to be used as an educational center.

Health and Human Services

DHHS is one of the few departments to see a gross increase in appropriations despite the removal of onetime funding. Much of the increase stems from federal dollars pertaining to federal changes in managed care rules. There were also increases due to actuarial data projecting higher health care costs. The Legislature also provided funding to expand the Certified Community Behavioral Health Clinic demonstration projects, and to provide for a \$.20 per hour increase for direct care worker pay. Overall, MDHHS will add 80 FTEs throughout the department in the upcoming budget year.

Visit the MAGE website for the full legislative report.

Announcements:

- Don't forget! The MAGE Scholarship and Student Debt Reduction application period is now open until August 30, 2024. Visit the website for the application.
- Would you like a MAGE informational meeting to be held at your office? If you would like to set up a lunch meeting for members and potential members to speak with MAGE Labor Representatives, call the MAGE Office today! 1-800-477-6243.