



**AREA AGENCIES ON AGING ASSOCIATION OF MICHIGAN  
ASSOCIATE MEMBER NEWS  
Week of October 5, 2009**

*In Lansing this week . . .* state government is operating on a continuation budget, while legislators continue to work on finalizing a 2010 spending plan. The Office of Services to the Aging (OSA) has instructed the aging network to spend at a level 13% lower than FY 2009 funding since those are the cuts agreed to in the Conference Report for the Community Health budget (HB 4436).

But aging advocates are surprised and puzzled about the size of the OSA cuts. Last February, the Governor recommended an OSA budget with \$2.2 million in cuts. In April, the House of Representatives passed an OSA budget with no cuts, and in June, the Senate passed an OSA budget with \$2.3 million in cuts. The Senate-passed budget already had enough cuts to meet budget targets. So why were OSA cuts more than doubled from \$2 million to \$5 million by the Conference Committee? Where did the money go? No answers are forthcoming.

Nevertheless, the aging network has not given up on rolling back the higher cuts included in the conference report. The Governor has indicated a willingness to veto line-items with which she disagrees, forcing the Legislature to revisit them and restore the cuts. So the Area Agencies on Aging Association is asking advocates to urge the Governor to veto most of the line-items in the OSA budget affected by the higher cuts. An advocacy alert is being sent with this edition of AMN.

This week, House Speaker Andy Dillon (D-Redford) pursued revenue enhancements that could restore some of the cuts in college scholarships, Medicaid and revenue sharing. The House passed three bills, mostly along party lines, that would impose a Medicaid tax on physicians, stop the scheduled increase in the personal exemption for state income taxes, and reduce credits that lower business taxes. The physician tax is opposed by the Michigan State Medical Society, even though it would increase reimbursements for doctors who see some Medicaid patients.

The Senate also pursued revenue enhancements, not to restore cuts, but to reduce the surcharge on the Michigan Business Tax to attract more businesses to the state. To raise revenues, the Senate passed bills to freeze the Earned Income Tax Credit, and cut the tax credit to the film industry.

*Bills protecting utility consumers . . .* passed this week in the Senate, including SB 553 and 555. The bills would require the Department of Human Services to provide utilities a list of people receiving public assistance and thus eligible for shutoff protection programs. The Senate plans to act on other bills in the package, introduced after last winter's tragedy when an elderly man in Bay City froze to death after his heat was turned off by a utility company.

*Mark your calendars . . .* for the Michigan Society of Gerontology's Fall Forum on November 5 from 8 am to 3:30 pm at the Hannah Center in East Lansing. The theme is "Making Michigan Communities Livable for Older Adults," with multiple presentations and a panel discussion. For more information, email [info@msginfo.org](mailto:info@msginfo.org).

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