

MSH UPDATES FROM THE CAPITAL

June 27 - July 13, 2026

M^CCALL
HAMILTON
Advocacy & Public Affairs

UPCOMING EVENTS

Monday, July 20th, 2026

July Quarterly PAC Period Closes

Monday, July 27th, 2026

July Quarterly PAC Reports Due

Friday, July 31st, 2026

Summer Lobby Disclosure Period Ends

Tuesday, August 4th, 2026

Statewide Primary Election

Monday, August 31st, 2026

Summer Lobby Disclosure Filing Deadline

GOVERNOR VETOES 9 BILLS FROM PREVIOUS LEGISLATIVE TERM AFTER COURT RULING

A procedural mistake made during *Lame Duck* when nine passed bills were not presented to the Governor before concluding the 2023-2024 legislative session will finally be put to rest. While the 103rd Legislature was still settling in at the start of 2025, Speaker Matt Hall (R-Richland Township) made the strategic decision to refuse presenting to the Governor several bills passed during *Lame Duck* by the previous Democrat-majority House.

After more than a year of ambiguity, the Supreme Court announced last week that they will not be making a decision on the case, instead deferring to the Court of Appeals' previous ruling. Under the lower court's ruling, the Michigan House was required to present all nine bills to the Governor.

In a surprising twist, the Governor vetoed all nine bills on Friday. In her veto letter, Governor Gretchen Whitmer reasoned that the bills would create an administrative burden due to other conflicting laws that have since gone into effect, statutory deadlines that have expired, and fiscal impacts that were not accounted for in the newly passed FY 27 state budget.

The bills would have covered a range of issues, including requiring public employers to make greater contributions toward their employees' health insurance, permission to seek a property tax millage for Detroit history museums, enter corrections officers into the State Police pension system, and offer protections for various public benefits from the threat of debt garnishment.

MICHIGAN PASSES BUDGET, SLEW OF POLICY BILLS PASSED ALONGSIDE

After a lengthy session day that took place over the course of 30 hours, the Michigan legislature passed a budget for the 2026-2027 (FY 27) Fiscal Year on July 3. Following the passage, significant questions have emerged about the overall spending total of the budget. On paper, the FY 27 budget totals \$75.2 billion. However, the budget authorizes \$86.4 billion in spending after federal Medicaid taxes and federal K-12 appropriations were shifted into boilerplate and not included in the topline.

The budget reduces Medicaid appropriations by approximately \$479.2 million, (\$185 million GF/GP), mostly coming from pharmaceutical program restructuring. About \$87 million in savings was assumed by using restricted funds, instead of general fund dollars for certain programs.

Much of the 30 hour marathon session was spent voting on legislation unrelated to the budget, likely part of negotiations with fellow lawmakers ahead of campaign season. Before concluding with the budget bills, the Legislature first passed 66 policy bills that were largely uncontroversial. Highlights include establishing a two-year lobbying ban for certain former elected officials and department heads (HB [4062](#), [4063](#) and HB [4064](#)), a bill prohibiting large corporate entities who already own 100+ Michigan homes from purchasing more (HB [6074](#)), and legislation requiring Michigan Medicaid to cover evidence-based group prenatal care services (SB [415](#)).

A full list of the legislation passed alongside the FY 27 budget can be viewed [here](#).

MCMORROW DROPS OUT OF SENATE RACE, EL-SAYED AND STEVENS DEBATE

A day after the July 4 holiday, State Senator Mallory McMorrow (D-Royal Oak) announced she was ending her campaign for the U.S. Senate Democratic nomination. Throughout the winter and early spring, the race was widely seen as a three way race, with McMorrow initially leading in some polls, and briefly emerged as the front runner. McMorrow largely plotted herself in between the party establishment and the party's left-wing. She refused to endorse either of her two opponents, instead saying she will endorse the primary winner.

Her primary opponents, U.S. Representative Haley Stevens (Birmingham), an establishment Democrat, and former public health official and epidemiologist Abdul El-Sayed (Ann Arbor), a populist progressive, will now battle for the nomination in what is still expected to be a closely contested primary.

A few days after McMorrow dropped out, Stevens and El-Sayed faced off in their first televised debate. Stevens emphasized her experience, legislative record, and her "workhorse" image. El-Sayed focused on corporate influence and the need for broader political change.

The primary election date is Tuesday, August 4.

MICHIGAN JOINS MEDICAID WORK REQUIREMENTS LAWSUIT

Michigan Attorney General Dana Nessel recently joined a coalition of 24 attorneys general and two governors in filing a lawsuit that challenges the Trump administration's implementation of the new Medicaid work requirements under H.R.1 (also known as the One Big Beautiful Bill Act or OBBBA).

The lawsuit targets an interim final rule issued by the U.S. Department of Health and Human Services (DHHS) and Centers for Medicare and Medicaid Services (CMS). The coalition argues the new interpretation of the rule would unlawfully narrow expectations for individuals who are considered "medically frail." The coalition also

claims that the interpretation, on top of new administrative burdens, will make it difficult for eligible Medicaid recipients to qualify for exemptions and would cause many to lose coverage.

They also allege that the rule fails to adequately consider the impact on states and the healthcare sector while imposing new compliance requirements after states had already begun implementing H.R. 1. The coalition is seeking to block enforcement of the challenged provisions before the work requirements take effect on January 1, 2027.

SUPREME COURT CASES DECIDED, MICHIGAN SECRETARY OF STATE BENSON COMMENTS

Recently, The U.S. Supreme Court completed its 2025-2026 term. Throughout the term, the Court issued several landmark decisions in relation to birthright citizenship, elections, and executive authority. Below are short summaries of four of the most significant rulings.

Birthright Citizenship - *Trump v. Barbara*

In a 6-3 decision, the Supreme Court struck down President Trump's executive order that attempted to end birthright citizenship. The court then agreed, 5-4, that the constitution's fourteenth amendment guarantees citizenship to everyone born in the United States. Justices Roberts, Sotomayor, Kagan, Jackson, and Barrett held the majority opinion. Justice Kavanaugh concurred in striking down the executive order, but did not rule it unconstitutional. Justices Thomas, Alito, and Gorsuch dissented to both decisions.

Federal Reserve Independence - *Trump v. Cook*

In a 5-4 decision, the Supreme Court blocked President Trump's attempt to remove Federal Reserve Governor Lisa Cook, holding that Federal Reserve governors remain protected from removal without cause. The ruling preserved the Federal Reserve's longstanding independence from direct presidential control. The Justices in the majority opinion were Kagan, Sotomayor, Kavanaugh, Jackson, and Chief Justice Roberts. Justices Thomas, Barrett, Gorsuch, and Alito all dissented.

Executive Powers - *Trump v. Slaughter*

In a 6-3 decision, the Supreme Court upheld President Trump's removal of Federal Trade Commission Commissioner Rebecca Kelly Slaughter, ruling that the President does have the power to remove independent agency officials who exercise significant executive power. The decision overturned a previous court case that previously protected the officials from removal without cause. This decision does not apply to the Federal Reserve as outlined in *Trump v. Cook*. Chief Justice John Roberts and Justices Thomas, Alito, Gorsuch, Kavanaugh, and Barrett formed the majority, while Justices Sotomayor, Kagan, and Jackson dissented.

Mail-in Ballots - *Watson v. Republican National Committee*

The Supreme Court ruled, in a 5-4 decision, that mail-in ballots that are cast and postmarked by the day of the election will be counted even if received after Election Day has passed. The Republican National Committee had started the suit against Mississippi's Republican Secretary of State, Michael Watson, to try and block the Mississippi law that permits counting late mail-in ballots. The Justices with the ruling opinion were Barrett, Roberts, Sotomayor, Kagan, and Jackson. The dissenters were Justices Thomas, Alito, Gorsuch, and Kavanaugh.

After the ruling was announced, President Trump said he was disappointed with the decision. Michigan Secretary of State Jocelyn Benson issued a statement supporting the decision, stating that it upheld voting rights and helped to ensure more citizens are able to vote.