MSHO UPDATES FROM THE CAPITAL

September 5 - 18, 2026

McCALL HAMILTON
Advocacy & Public Affairs

U.S. SUPREME COURT ISSUES ORDER OVER MAIL-IN VOTING RESTRICTIONS

Recently, the United States Supreme Court refused the federal government's attempt to place restrictions on U.S. Postal Service main-in ballots ahead of the November election.

In an unsigned order, the Court denied the Trump administration's emergency request to suspend a preliminary injunction issued by a lower court that had blocked the administration's attempted rule changes. The order was not a final ruling on the USPS authority to hand down restrictions; but instead, allows all states to keep their current mail-in voting procedures and prevents any restrictions for the 2026 election while the legal battle is ongoing.

Justice Brett Kavanaugh wrote separately that the USPS likely has the authority to implement the restrictions but questioned whether the changes could be implemented before the election given the limited timeframe. Justices Samuel Alito and Clarence Thomas were the only two justices to publicly dissent from the Court's order.

The original rule change issued by the USPS would have made immediate changes to mail-in voting just over two months before the election date. The changes would have required states to enroll every eligible mail ballot voter with the Postal Service, which would use that data to create state voter rolls. Under the changes, states would have needed Postal Service approval for outgoing and return ballot envelope designs, in which each ballot would have its own unique barcode. The USPS would then have the ability to refuse the delivery of ballots if the voter was not included on its lists or if the envelopes did not meet the new requirements.

AUGUST REVENUE REPORT RELEASED

Recently, The Senate Fiscal Agency (SFA) released the Monthly Revenue Report for August 2026. The state brought in $3.0 billion, $150 million higher than the projected number, and 0.5% more than August 2025. The $150 million better-than-expected collections were fairly divided between the General Fund and School Aid Fund, coming in at $73.1 million and $68.8 million respectively, with the remaining being directed into other funds.

For August 2026, the largest source of revenue was the combined sales and use tax collections, which came in at $1.2 billion. Despite being atop all other revenue streams, the combined receipts were down 5.6% from August 2025, partly due to the removal of the sales tax for motor fuel. Trailing just behind were revenues from the net income tax coming in at $1.1 billion, 9.2% higher than August of last year. Together, the two collections beat expectations by $123.6 million. Strong income tax withholding was also a major contributor, increasing 11.5% from August 2025 and coming in $92.8 million above forecast.

So far, the revenue collections in 2026 for the General Fund have been $532.4 million higher than expected and the School Aid Fund has beaten projections by $263.3 million. These numbers indicate that, for now, Michigan's current fiscal situation for 2026 is surprisingly healthy.

UNEMPLOYMENT AND JOBS REPORT RELEASED FOR AUGUST

Recently, the Michigan Department of Technology, Management and Budget released the latest unemployment and jobs report that shows data from the month of August. The data shows that Michigan's unemployment rate increased by 0.1 percentage points to 5.0%. Comparatively, the national unemployment rate for August was 4.1%.

The unemployment rate increase occurred alongside a shrinking labor force, as Michigan's employment number decreased by 25,000 while the number of unemployed people remained unchanged.Payroll jobs saw a slight reduction with employers reporting approximately 2,000 payroll jobs lost. Michigan's labor force participation has also decreased 0.3% to 58.8%.

The manufacturing sector experienced the largest monthly employment decline, shedding approximately 2,000 jobs. The sector with the most growth was private education and health services, with employment increasing for the fourth consecutive month and adding 6,000 jobs since April 2026.

Looking at the over-the-year numbers, the biggest gain has been in government, which added 16,000 jobs, followed by private education and health services, which added 8,000 jobs. The biggest loser has been the professional and business services sector which has lost 6,000 jobs since August of last year.

UPCOMING IMMIGRANT MEDICAID POLICY CHANGES START OCTOBER 1ST

As a reminder, starting on October 1 only legal permanent residents, Cuban and Haitian entrants, and Compacts of Free Association (COFA) migrants will be able to receive full Medicaid coverage. Certain individuals will still need to meet the five-year waiting period for full coverage. Anyone who falls under a different immigration status will qualify for emergency services only (ESO). These changes will put Michigan in compliance with Section 71109 of H.R. 1, commonly referred to as "The One Big Beautiful Bill Act".

Due to Michigan providing coverage under section 214 of the Children's Health Insurance Program Reauthorization Act of 2009 (CHIRPA), pregnant individuals and children under the age of 21 who are legal residents will not have their coverage affected by H.R. 1.

The Michigan Department of Health and Human Services Michigan Medicaid Policy bulletin detailing the changes can be viewed here.