



**AREA AGENCIES ON AGING ASSOCIATION OF MICHIGAN  
ASSOCIATE MEMBER NEWS  
Week of January 3, 2011**

*Governor Rick Snyder is getting right to work . . .* having already announced key appointments, and scheduling his first State of the State address early -- January 19 at 7 pm. This week he named Supreme Court Justice Maura Corrigan as Director of the Department of Human Services. In addition, Corrigan will have a seat on Snyder's 'super cabinet' of 6, overseeing the 'people' division that includes DHS, and the Departments of Community Health, Civil Rights and Education.

*There's lots of talk about the state budget . . .* with some good news from the Senate Fiscal Agency. Last year's budget ended with funds to spare, and the current year budget is projected to have monies left over. This is seen as evidence that the economy is slowly improving, although it still has a long ways to go. However, the deficit predicted for FY 2012 has grown to \$1.85 billion not counting any changes in the Michigan Business Tax. The January Revenue Estimating Conference is scheduled on January 14. The consensus they reach on available revenue will be used by the Governor and Legislature in beginning their budget work.

In interviews this week, the Legislature's top leaders of both parties had interesting things to say about budget deliberations to come. House leaders are Speaker Jase Bolger (R-Marshall) and Minority Leader Rick Hammel (D-Flushing). The Senate is led by Majority Leader Randy Richardville (R-Monroe) and Minority Leader Gretchen Whitmer (D-East Lansing).

Speaker Bolger (R-Marshall) supports using all-cuts for FY 2012, but all four expect an examination of tax expenditures (loopholes) that benefit specific groups, including the Earned Income Tax Credit that helps low-income workers. The state income tax -- now 4.35% - is scheduled to be rolled back starting October 1, when it will drop to 4.25%. Freezing the rollback will be discussed, but is not considered likely. Also to be looked at -- cuts in revenue sharing, a further push for consolidation of local governments, and cuts to state employee compensation.

*In the spirit of bipartisanship . . .* the freshman class of the Michigan House has organized a Bipartisan Freshman Caucus, co-chaired by Rep. Lesia Liss (D-Warren) and Rep. Bill Rogers (R-Brighton). The group hopes to spark more cooperation and joint problem-solving within the House of Representatives.

*On the national scene . . .* Republicans have taken charge of the U.S. House and will take a different approach in finalizing the FY 2011 federal budget, now over three months into the fiscal year. Significant cuts in discretionary programs are now on the table, with \$50-60 billion in savings the goal. These would translate into 10% cuts if applied across-the-board. Defense and veterans programs would not be targeted. Interestingly, Senate Republicans have not jumped on this bandwagon yet.

This week, President Obama signed a new law creating a coordinated national strategy to address the epidemic of Alzheimer's disease. The law would not provide any funding for research or services, however. Alzheimer's is number six on the list of top ten causes of death in the U.S., and is the only one without effective treatments or prevention strategies. Alzheimer's cases have more than doubled from 2000 to 2007, but funding for research lags behind many other diseases.