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SPECIAL EDITION

# YEARS AFTER LOCKDOWN

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## WSJ OPINION

#### A Covid Reckoning Must Come for States Too

"States like Michigan shouldn't wait to repeal or dramatically reform all laws granting politicians emergency powers."

Michael Van Beek, Director of Research

### / CITY JOURNAL

#### Federal Workers Shouldn't Have **Collective-Bargaining Rights**

"When federal unions negotiate with agencies, the taxpayers who fund them have no voice. Repealing collective-bargaining rights would help restore that voice."

Jarrett Skorup, Vice President for Marketing and Communications, and Steve Delie, Director of Labor Policy

#### In Defense of Dollar Stores

"Who exactly is harmed when people living in low-income areas get more convenient access to less expensive goods?"

Jarrett Skorup, Vice President for Marketing and Communications

## **USA TODAY**

#### **Calling Elon: Biden Broadband Plan Spends Billions but Fails** to Hook Anyone Up

"Blame bureaucracy and special-interest carve-outs for creating a boondoggle that hasn't connected anyone in Midland, the rest of Michigan, or — shockingly — all of America to the internet."

Jarrett Skorup, Vice President for Marketing and Communications

### THE HILL

#### **Student Loan Borrowers Face Abrupt** 180 as GOP Budget Plans Threaten to Raise Payments

"My understanding is that there are 45 million people who have student loans, which means that there are 45 million different experiences on the process."

Patrick Wright, Vice President for Legal Affairs

#### **The Detroit News**

#### Whitmer's Plan for Licensing **Deserves Action**

"For a governor hoping to boost her state's job growth, occupational licensing is a good area to prioritize. ... Licensing requirements are costly and time-consuming, especially for someone entering a new field."

Michael Reitz, Executive Vice President

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# What Did We Do During the COVID Lockdowns?

Public officials who launched Michigan's emergency response to the COVID-19 pandemic five years ago are not talking much about this sad anniversary.

Gov. Gretchen Whitmer gave little attention to the lockdown period in her 2024 memoir. "Our response to COVID wasn't perfect, but I believe that the steps we took saved lives," Whitmer wrote. What were those mistakes? The governor did not say.

We're also not seeing much introspection from federal officials. Dr. Anthony Fauci defended social distancing rules when he spoke to a congressional committee last year.

It's hard to blame any American for wanting to forget this shameful period in our nation's history. But half a decade later, we need to look back at the COVID response and its results. For the Mackinac Center, there are even some things to be proud of.

Despite the severity of the state's lockdown orders, COVID did not spare Michigan. The state saw 2.7 million confirmed cases and 40,000 deaths, according to the Michigan Department of Health and Human Services.

While the orders didn't stop the disease, they confused just about everybody. Early on, Whitmer told people not to touch gas pumps because that might spread the virus. The state ordered grocery

## Despite the severity of the state's lockdown orders, COVID did not spare Michigan.

stores to designate aisles as one-way only. The vulnerable elderly were housed in long-term care facilities, sometimes with infected residents. The governor closed gardening centers but said liquor stores could stay open. People were allowed to use rowboats but not motorboats. In a foolish attempt to run the lives of 10 million Michiganders, Whitmer cited little-used emergency laws to issue nearly 200 emergency orders and 1,000 FAQs explaining those orders.

All this earned Michigan national ridicule. A New York Times columnist labeled Whitmer's actions "daft," while The Wall Street Journal said Whitmer issued the "most excessive decrees" in the country. Michigan Capitol Confidential, the Mackinac Center's daily news organization, kept a close watch on these contradictory orders, as Scott McClallen shows in this issue. Next time a Michigan governor tries to grab power, we will have a record of what happened before.

And there could easily be a next time, as Michael Van Beek notes in his analysis of Michigan's current emergency plans. Michigan needs laws that clearly define and limit the scope of emergency powers. With your help, the Mackinac Center is building support in the Legislature and in public opinion to make sure no governor can shut down the state again.

There were some bright spots in the lockdown period. Patrick Wright describes how the Mackinac Center Legal Foundation went into action once it became clear that the governor had chosen unilateral rule over the hard work of

building consensus and respecting the separation of powers. We worked with Michigan medical practices to end an arbitrary shutdown order and obtained a state Supreme Court ruling that struck down Whitmer's efforts to sideline the Legislature. In 2023, we blew the whistle on an illegal attempt by the Michigan Education Association and that union's insurance division to grab more than \$12 million flowing through the federal Paycheck Protection Program.

The lockdowns also spurred a shift in public opinion on education. Molly Macek describes how parents around the state, burned by school shutdowns, are exploring homeschool and hybrid learning options. Wherever Michigan parents are seeking school choice, the Mackinac Center will be there to help them.

Nobody should feel good looking back on the lockdown period, whose effects on civil liberties, mental health, substance abuse, student performance and the economy are still with us. But by standing up for the rule of law when it was least fashionable, the Mackinac Center checked government overreach. Thanks to your support, we'll be even more ready next time.



By Michael J. Reitz

Executive Vice President



## WE FOUGHT MICHIGAN'S LOCKDOWN IN COURT AND WON

State agencies and others took drastic measures to combat the COVID-19 pandemic. The Mackinac Center Legal Foundation fought to make certain that civil liberties were not destroyed in the process.

Gov. Gretchen Whitmer's executive orders came fast and furious — more than one a day. A state government webpage dedicated to frequently asked questions about the orders was updated even more frequently. Where we could go, whom we could see, where we could shop, whether we could leave our houses: These questions were all decided by the governor on an ad hoc basis and with almost no input from the legislative branch. Want to paddle in a kayak? Fine. Want to go fishing in a motorboat? That's banned.

Not surprisingly, many of Michigan's 10 million residents chafed under these commands. The executive orders were enforced through the threat of misdemeanor charges that included \$500 fines and up to 90 days in jail. Some sheriffs thought these punishments too draconian and refused to enforce them. At this point the governor unilaterally sought to enhance the punishments. She decreed that any violation of her orders would violate the state's Occupational Safety and Health Act. This opened the door to enforcement by state bureaucrats rather than local police while elevating the

charge to a felony punishable by up to three years in prison and fines as high as \$70,000.

The Mackinac Center then scored its first legal victory over COVID-era governance. On June 4, 2020, the Michigan Court of Claims held that these enhanced penalties were illegal and could not be enforced.

The second Mackinac Center legal victory went to the executive orders themselves. On Oct. 2, 2020, the Michigan Supreme Court held that the governor's process for creating executive orders was unconstitutional. Whitmer was forced to go back to the drawing board. The governor used the health code to enact many similar orders, but some of the most obnoxious ones — including the ability to control the state's economy unilaterally until she felt the economic effects of COVID had dissipated — fell by the wayside. Michigan, through the hard work of the Mackinac Center, was one of two states to defeat COVID orders through legal action.

COVID was a stress test of our institutions, including the political system, the press, hospitals and the courts. As we look back five years, we see some overreach and failures. We were proud to have been fighting those in real time and will remain vigilant in case the need arises again.



**By Patrick J. Wright** *Vice President for Legal Affairs* 

# Parents Ditch Traditional Classrooms for New Schooling Models



Classrooms were closed during COVID, and the effects are still evident. Schools struggled to deliver instruction remotely, which parents saw firsthand. Thousands opted to try a different approach, pulling their kids from district-run schools. A trend set in motion in 2025 is still gaining momentum today.

Since the lockdowns, many parents have chosen to

homeschool their children, joining thousands of families across the state. More families are sharing resources and working together to give their children ways to learn in homeschool cooperatives.

In September, the Mackinac Center partnered with a homeschool community in northern

Michigan to host a Family Liberty Summit. We also work with Engaged Detroit, a homeschool cooperative founded by Bernita Bradley that supports Motor City parents who are new to homeschooling.

Several new learning models arose during the pandemic. Clonlara, a private school based in Ann Arbor, offers personalized learning to students in a variety of settings. They can attend classes on campus, receive homeschooling support through an off-campus program, or enroll in a distance learning program that is open to students around the globe.

HighPoint Hybrid Academy, with eight locations in Metro Detroit and one in Midland, provides families a mix of classroom instruction and home-based learning support. AMPed, another private microschool in Metro Detroit, also offers a hybrid program for parents seeking more flexible learning approaches.

Michigan parents are at a disadvantage compared to most other states in exploring educational freedom. More than 30 states now offer school choice programs that allow families to use public funds to offset the cost

of tuition and other private

But a discriminatory amendment in the state's constitution prohibits Michigan families from using public funds to support private educational options.

Until the constitution is amended, Michigan will be unable to offer the educational choice programs parents enjoy in most states today.

The Mackinac Center supports parents' right to choose the educational approach that works best for their children. We will continue to promote policies that help parents tap into the increasing number of alternative learning found across the nation.

educational expenses. In those states, more families can access the growing number of alternative schooling models.

A discriminatory

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educational options.

**By Molly Macek** Director of Education Policy



## A LIFE IN PUBLIC POLICY, INSPIRED BY WALKING AMERICAN BATTLEFIELDS

## Meet Adam Stacey, the Mackinac Center's director of legislative affairs

For Adam Stacey, the path to public policy advocacy was forged in the fields of his family's 170-year-old farm and the monuments of our nation's capital. As director of legislative affairs at the Mackinac Center for Public Policy, he brings decades of experience in politics and governance, coupled with a deep-rooted passion for free-market principles.

Born in Bad Axe, Michigan, Adam had anything but a stationary upbringing. His father worked for the U.S. Department of Agriculture, and the family moved frequently. The moves exposed Adam to different communities: preschool in Haslett, elementary school in Bowie, Maryland, and high school in Chenango Bridge, New York. Adam developed an appreciation

for governance and public service. Though he has lived around the country, Michigan remains his true home. He returned for undergraduate studies at Michigan State University and now lives in the Lansing area.

"Visiting the monuments and museums of Washington, D.C., as a young child definitely left an impression on me," Adam says. "I'm also a history buff who has walked many battlefields of the Revolutionary and Civil Wars where the struggle for liberty was contested. This inspired me to work to advance the American republic. Watching Michael J. Fox's portrayal of (the conservative character)





Alex P. Keaton every week on 'Family Ties' didn't hurt either."

For 25 years, Adam worked in the Michigan Legislature, serving in various roles for state senators and representatives, as well as in caucus policy and communications offices. He also has been an elected official, serving four years on a township board and 14 years as a county commissioner. Those experiences give him insights into the needs of elected officials at multiple levels of government.

In 2023, Adam joined the Mackinac Center, where he reviews legislation, monitors legislative committees, and coordinates efforts with policymakers to advance free-market policies.

"For decades, I've been a fan of how Mackinac Center staffers eloquently articulate their policy positions in concise, clear statements," he says. "I wanted to join the team and put into practice sound public policy that will create a foundation of success for Michiganders for years to come."

Adam meets with lawmakers to advance the Mackinac Center's policy agenda, helps put on educational events at the Freedom Embassy in Lansing and mentors younger staffers on the philosophy of limited government.

"I find the most satisfaction in educating young staffers in Lansing and helping them ask the right question about legislation — whether it will advance liberty and prosperity," he says.

Adam's passion for strategy extends beyond policy. He enjoys playing modern Euro-style board games and has run a fantasy football league for 25 years. His wife shares his hobby of rockhounding, which takes them on long camping trips. He is also the proud father of three children, two currently in college and one preparing for the next chapter.



By Jarrett Skorup
Vice President for Marketing
and Communications

# Bring Back STATE-OF-EMERGENCY Health Care Provisions







Not all of the 192 orders issued by Gov. Gretchen Whitmer during the COVID-19 lockdown were bad. Some policymakers in Lansing looked to the Mackinac Center's research and recommendations to navigate the crisis.

Here are some of the health care policy changes inspired by the Mackinac Center that were enacted in response to COVID-19:

#### **Expanded access to telehealth**

Through executive order, the governor expanded access to telemedicine, allowing patients to visit their doctors via webcam. While many of these telehealth advancements remain in place today, the same can't be said for the provisions that follow.

#### Certificate-of-need laws suspended

CON laws were suspended under the state of emergency, freeing health care providers to expand critical services without first seeking government approval. This allowed them to add hospital beds, intensive care units and imaging technology.

Michigan has since reverted to requiring providers to obtain a permission slip from an unelected state board before expanding medical services to serve more patients. CON laws reduce access to affordable care, as shown by abundant research. The Mackinac Center is working to get this and other forms of temporary relief enshrined in law.

#### **Loosened scope-of-practice restrictions**

During the pandemic, the state eased restrictions to allow nursing professionals to take on broader responsibilities. Pharmacists were able to provide important services such as point-of-care testing, updated vaccinations, and screenings for influenza and strep.

The state has since reimposed scope-of-practice regulations, preventing medical professionals from working to the full extent of their training and needlessly limiting access to care.

#### Licensing relief granted to medical personnel

In response to the pandemic, the governor approved several licensing changes. The state



By Michael Van Beek Director of Research



offered immediate certification to advanced medical students, automatically renewed lapsed licenses, and suspended fees for license renewal. Out-of-state medical practitioners with valid licenses were also allowed to treat Michigan patients.

The state has since reinstated barriers that prevent qualified professionals from practicing in Michigan.

These policy reversals don't just hinder access to medical care. They also contribute to Michigan's broader struggles, including our state's ongoing population stagnation. As other states embrace reforms that attract medical talent and expand patients' access to services, Michigan's return to outdated regulations puts it at a disadvantage.

If policymakers hope to retain residents, they must strengthen the state's workforce and make health care more affordable. The Mackinac Center is providing the research and policy support our leaders will need to enact lasting reforms that free medical professionals to serve Michigan's communities.



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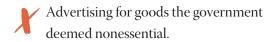


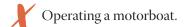
## Michigan's Lockdown

# NIGHTMARE

When COVID struck Michigan five years ago, Gov. Gretchen Whitmer issued nearly 200 executive orders, enacting the longest and most severe restrictions in the Midwest.

Here's a short list of some banned activities:





Selling paint and home-improvement supplies in stores larger than 50,000 square feet.

Traveling to a second home.

Visiting a friend.

It's hard to pick the most ridiculous COVID-era rule, attorney Nick Somberg told Michigan Capitol Confidential in a phone interview.

"The whole thing is going to go down as the most absurd, hypocritical, and largest government overreach of our time," Somberg said.

The governor divided the population into essential and nonessential workers — those who were allowed to go to work and those who weren't.

"Gov. Whitmer said, 'You're not allowed to landscape,' but if you go to her mansion, it's perfect," Somberg said.

In 2020, Somberg weeded the lawn of the governor's Lansing mansion and posed outside the Capitol with a 6-foot tape measure in protest. Passionately opposed to the government overreach, he spent the lockdown representing people charged with violating COVID orders

Across Michigan, stores and government enforced the six-foot rule fabricated by Anthony Fauci, the New York Post reported.

The government imposed "this arbitrary number that if you're outside six feet, you're fine, but if you're within six feet, you're going to get COVID and die," Somberg said.

For every business or activity that was closed or banned, something very similar was allowed to remain open or proceed as usual.

Barbershops were closed, but chiropractors were open. Strip clubs in Lansing were open, but bowling alleys were shuttered. Michigan deemed marijuana dispensaries essential, but police raided a Lincoln Park gym for operating during the shutdown.

The rhyme or reason for certain bans was indiscernible, leading the Mackinac Center's own Legal Foundation to join the fight.



By Scott McClallen Michigan Capitol Confidential Reporter



It's been five years since Gov. Gretchen Whitmer granted herself unilateral control over the state's response to the COVID-19 emergency. She issued one of the most draconian lockdowns in the country. These policies were unprecedented and experimental, but to date, state officials have shown no interest in studying their consequences. They could do it all over again with a stroke of a pen.

While the Mackinac Center Legal Foundation's successful lawsuit against the Whitmer administration in 2020 ended the governor's unlimited emergency powers, the state health director retains similar powers. Any time — tomorrow or maybe next month — the health director could order a statewide lockdown with the stroke of a pen. As the governor's appointed official, a director would presumably

only do this at the governor's command. As the law is written, all it would require is for the director to announce that the "control of an epidemic is necessary to protect public health."

That's all the proof the law demands. There are no checks and balances on the health director. The law imposes no expiration date for these powers. The director gets to exercise unilateral control for however long he or she wants. Someone could launch a legal challenge, but courts have traditionally shied away from overruling public health officials in declared emergencies. It could take months before they hear such a case.

The law empowering the health director is similar to the emergency power law the Michigan Supreme



Court ruled unconstitutional in 2020. Lawsuits against it have failed in court, however. The Legislature modified this statute in 2023, adding limits on how long the director could restrict families from visiting their loved ones in nursing homes and other health care facilities. That's an important reform. But courts could read this modification as an implicit affirmation of the extraordinary pandemic powers that remain in the statute.

It's hard to know whether the director would issue a lockdown, though the state published a new pandemic plan last year. The plan claims to incorporate lessons learned from the state's COVID-19 response, but it does not name any specific ones. It does name several lockdown-style policies that officials should consider. These include closing churches and schools, prohibiting families from gathering in their own homes, dividing all of society into "essential" and "nonessential" activities and even restricting access to medical care. All the most controversial and legally questionable policies Michiganders endured during the COVID lockdown are represented here.

But the plan is careful not to commit state officials to any particular course of action. The text is vague and slippery enough that it effectively leaves all the important policy decisions to the discretion of state health officials in the heat of the moment. While it does not explicitly recommend another lockdown, the plan envisions handing unelected bureaucrats unilateral control over the response. This, of course, is the same approach the Whitmer administration chose — an approach that resulted in one of the nation's most aggressive and destructive lockdowns.

What can we make of the state's pandemic plan? The lack of specificity means it fails to provide officials with



# There is no sugarcoating lockdowns. They violate the most basic human rights and individual liberties.

meaningful guidance. Michigan had various pandemic plans when the COVID-19 emergency began. Whitmer simply tossed them aside and made up her own response on the fly. Will another governor do the same thing with this plan in the next emergency?

There is no sugarcoating lockdowns. They violate the most basic human rights and individual liberties. Lockdowns confined people to their homes under penalty of law. They forced schools, churches, community services and businesses to close for months at a time and prohibited families from gathering, even to grieve and bury their dead. This attempt to reduce the spread of an easily transmissible respiratory virus resulted in ethical violations typically only known during times of war.

It's been five years since we endured these unprecedented government mandates. Will it happen again? It's impossible to tell based on the state's current pandemic plan; everything depends on unelected health officials. The state's plan for the next pandemic is to hand unilateral control over to governor-appointed bureaucrats. This approach created confusion and controversy during the COVID-19 emergency. State officials seem to have learned nothing in the intervening five years.



By Michael Van Beek Director of Research



# Turning Policy Knowledge MTO Policy Action

The Mackinac Center decided to take its public events online when the 2020 lockdown hit, but what started as a temporary change has given us a lasting advantage.

In late February, more than 90 Opportunity
Michigan members registered for an online
webinar where Adam Stacey, the Center's director
of legislative affairs, led an exclusive discussion,
"Turning Policy Knowledge into Policy Action:
How to Participate in the State Legislative Process."

The event was hosted by Opportunity Michigan, a project of the Mackinac Center that equips members with tools and knowledge to impact state and local policy.

For many Michiganders, one of the biggest hurdles in advocacy is simply getting their concerns heard. Stacey tackled this challenge head-on.

"Lawmakers will always respond if you communicate in a respectful manner," he shared.

In addition to contacting their legislators, Stacey encouraged attendees to reach out to legislators who lead committees that oversee their subject of interest. "The committee chair has a great deal of influence about what bills are going to be brought up for a hearing," he told participants. Even if the committee chair directs a citizen back to that person's particular legislator, the initial outreach can make a difference.

Most lawmakers also make time for in-district meetings in addition to their Lansing office hours.

# Lawmakers will always respond if you communicate in a respectful manner.

During the COVID-era lockdowns, many adjusted to Zoom meetings, just like everyone else.

But sometimes, the best opportunities to engage lawmakers happen unexpectedly.

"These lawmakers — they're your neighbors," Stacey said. "They're in your community. They're shopping. They're at baseball games and football games." Legislators are not just distant officials in Lansing; they're real people navigating the same pothole-filled roads as the rest of us.

An interactive Q&A followed the presentation, during which members asked questions about communicating with legislators and navigating the state's legislative landscape.

Opportunity Michigan continues to host online events, providing an accessible space for Michiganders to learn more about issues affecting our state. You can learn more about this initiative at opportunitymichigan.org.



**By Jessica Wyeth** *Marketing Analyst* 

# 'When government overreach happens, organizations defending liberty are the tip of the spear'



# Longtime Mackinac Center supporter Jess Yescalis reflects on the COVID lockdowns

Looking back on the COVID lockdowns, what stands out to you most?

How differently places around the world responded. Some places didn't lock down at all, while more advanced nations imposed extreme restrictions. Even here in the U.S., states responded differently; I felt incredibly fortunate to return to Arizona, where we had strong political leaders who kept things relatively open. I was still able to hike every day. My daily life wasn't nearly as impacted as it was in places like Michigan.

I flew to Iraq that December to train candidates for elections and was surprised to see life there had returned to normal while lockdowns were still happening in blue states back home. I remember celebrating Christmas and thinking, "Did I really have to travel to Iraq to have a normal Christmas?" That made me realize just how deeply policy choices affect our everyday freedoms.

What effect did lockdowns have on the freedom movement?

Lockdowns mobilized a segment of the population who had never been engaged in politics. Parents found themselves fighting for their children's education when schools closed, leaving kids struggling to read and learn. Small business owners, who had poured their lives into their work, were told to shut down without consideration for their livelihoods. Many were unfairly criticized for defending their right to stay open, as if caring about their businesses meant they didn't care about people.

This wave of firsthand experience with government overreach activated a coalition of people who simply wanted to live their lives. This expanded the freedom movement in ways none of us could have predicted and continues to shape the fight for individual liberty today.

How did union activities during this time change people's perceptions?

Lockdowns exposed a glaring disconnect between public sector unions and the people they claim to serve, with teachers unions offering one of the clearest examples. In the early days of vaccine distribution, when hope was high but the vaccine supply was limited, teachers were rushed to the front of the line. But many unions refused to allow teachers to return to the classroom, saying it was too dangerous. Meanwhile, countless others were eager to return to work.

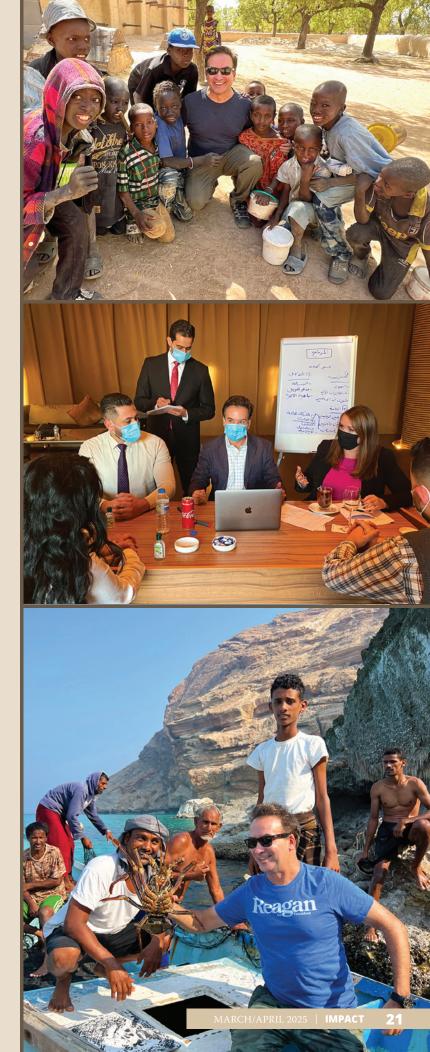
This made it clear that union leaders, who control billions of dollars they've taken from workers, often prioritize power over the well-being of their own members and the American public.

#### Anything else you want us to know?

Freedom often feels like an abstract concept — until a crisis like the government's response to COVID makes it painfully real. The lockdowns showed us these principles aren't just lofty ideals; they have life-or-death consequences for millions of Americans. They were a powerful reminder that when government overreach happens, organizations defending liberty are the tip of the spear. The hope is that we've learned the right lessons from this experience and will remain vigilant in protecting freedom in our daily lives. ■



By Julie Ferguson Senior Director of Strategic Partnerships





Michigan's recent affordability crisis comes in large measure from the COVID-19 pandemic and the policies that followed. Laws banning evictions kept people in their homes and apartments, but at a huge cost to landlords. People looking to rent suffer even now, due to housing shortages and landlords becoming more stringent in selecting tenants. Government lockdowns caused shortages, especially in construction materials. State and federal government spending surged, contributing to inflation and higher interest rates.

Now the real estate market is stalled. Landlords who were burned by the emergency restrictions are reluctant to accept new tenants, while the price of a home can be three times what it was five years ago.

For decades,
Michigan's abundant
low-cost housing
was one of the state's
selling points.

For decades, Michigan's abundant low-cost housing was one of the state's selling points. Housing providers were steadily building houses and apartments, even when Michigan was not a fast-growing state. The Great Lakes State didn't always make the best policy choices, but homes were reasonably priced, and apartments were affordable. That made Michigan more attractive.

In 2012, housing prices in Michigan were nearly 30% lower than the national average. But that advantage has dissipated. Homes here cost twice as much as they used to, and prices are less than 20% below the national average. Compare Michigan with our neighbor Indiana. It had the same average home price

as Michigan back then; now, buyers in Michigan must pay a 7% premium.

Why? One reason is that the Hoosier State builds more than we do. Indiana, despite having three million fewer people, approved 25% more building permits than Michigan last year. Our pace of adding homes is one-third to one-half what it was in the 1990s.

The COVID-19 pandemic and lockdown policies harmed home builders, landlords, renters and

buyers. But they also exposed problems Michigan imposed on itself. Homebuilders and

construction workers
faced a significant
increase in regulations,
especially in licensing
and permitting. Our
outdated building code
imposes regulations
in the name of energy
efficiency, environmental

protection and safety, without

considering trade-offs. Local governments have made it impossible to build anything but single-family homes, and they've added unnecessary rules that delay construction.

Michigan's housing laws had problems before anyone heard of COVID. When the pandemic came, the state's housing laws made things worse. It's time for lawmakers to help things get back to normal.



By Jarrett Skorup

Vice President for Marketing
and Communications



#### **GET BAILED OUT OF NONEXISTENT LOSSES**

## MICHIGAN'S FISCAL POLICY DURING COVID COULD MAKE YOU SICK

The federal government took the nation further into debt during the COVID-19 pandemic to bail out the states. Congress presumed that state tax revenues would be wiped out by lockdown policies and economic turmoil. Except that state revenues didn't go down. They went up.

State taxes collected \$34.0 billion in the 2018-19 fiscal year. They collected a little more the following year, at the start of the pandemic. Then revenue spiked to \$38.9 billion in the 2020-21 fiscal year, and it's up to \$44.4 billion in the current fiscal year. That's an increase well above inflation over the period, even accounting for the bump in inflation that followed lockdowns and federal spending increases.

So states got bailed out of revenue losses that never happened. State governments, including Michigan, kept the checks anyway. Michigan's lawmakers used higher revenues from their own taxes, as well as federal largesse, to increase the state budget from \$58.3 billion before the pandemic to \$75.2 billion in fiscal year 2020-21. State spending has increased to \$81.2 billion since then. State tax revenue did not continue to increase at the rate seen in the 2020-21 fiscal year, but it remained high and kept growing.

COVID and stimulus money from the federal government was temporary. But that does not mean the amount of federal money flowing to Michigan has receded to where it was before the pandemic. It's up by \$10 billion — around \$2,500 per household in Michigan — and up 14.6% when adjusted for inflation.

All told, the inputs into state government are up, and they're up by a lot. Outcomes are a different story. Spending on K-12 education is up by a lot, and test



scores are down. Roads are still not being put together faster than they fall apart. More people are covered by Medicaid, and I don't have a good measure of whether that's improved life for them.

State governments were the first in line for extra money when the COVID-19 pandemic hit. But it's not like the federal government had special money it could tap. It all comes from taxpayers. It's unlikely that this rapid growth in spending of taxpayer dollars has delivered good outcomes to citizens.



By James M. Hohman
Director of Fiscal Policy

### BY THE NUMBERS

Since fiscal year 2018-19

\$10 BILLION

The increase in state tax collections 4% above inflation.

\$16.9 BILLION

The increase in total state spending, including federal funding — 11% above inflation.

\$2,500 PER HOUSEHOLD

The increase in federal money transferred to the state over this period.



The Mackinac Center's Workers for Opportunity initiative scored a major victory in February, when the state of Utah enacted labor reforms that embody our pro-freedom ideas.

The Mackinac Center started WFO in 2019, a year after the Supreme Court ruled in its landmark Janus v. AFSCME decision that no public employee in the country could be forced to pay union dues or fees as a condition of employment. That ruling helps protect the First Amendment rights of

WFO was born with a mission to advance workplace freedom for employees across the country. We work alongside coalition partners, policymakers,

administrations and other stakeholders. To date,

we have helped roll back union infringements on employee rights in more than 20 states.

The bill Utah Gov. Spencer Cox signed in February addresses the inherent problems that arise when government officials use public funds to negotiate with unions. Public sector

> negotiations, unlike their counterparts in the private sector, lack market-based checks and balances. This leads

WORKERS FOR **PPORTUNITY** to unchecked government growth and burdens on taxpayers.

> The new Utah law allows public employees to work directly with their employers instead of having to go through a union to discuss questions of employment, including salaries, benefits and performance. This landmark law puts workers in charge of their careers and enhances their autonomy.

millions of workers.



The law also increases transparency by imposing reporting requirements on public sector unions. Members will be able to see how much their union spends on representation, politics and lobbying. This helps workers make informed decisions about their membership and whether the union represents their values.

Release time, a special type of leave that allows employees to work for unions while being paid with public dollars, has also been eliminated in Utah, thanks to this law. Workers for Opportunity was honored to work with HB267 sponsors Rep. Jordan Teuscher and Sen. Kirk Cullimore, along with supporters including Senate President Stuart Adams and Speaker Mike Schultz. The law is an important win for Beehive State public employees and taxpayers.

Government unions will still exist in Utah, and public employees can still choose to join them, despite claims

from union leaders. Workers who agree with union spending can support their unions wholeheartedly. Those who do not are free to decline membership and can negotiate their job requirements directly with their employer. The difference now is that public sector unions will no longer have a monopoly in representing government employees, including those who might not want the representation in the first place.

In a post-Janus world, the pendulum of public policy continues to swing toward greater freedom for employees.



**By Tony Daunt** Senior Director of Workers for Opportunity



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## **Proving the 41st Law**

Morton Blackwell's book "The Laws of the Public Policy Process" has guided leaders for decades.

As we reflect on the fifth anniversary of COVID lockdowns, we're grateful for supporters who proved Blackwell's 41st law: "In moments of crisis, the initiative passes to those who are best prepared."

Politicians locked Michigan down in March 2020. Because of the foresight and commitment of thousands of supporters, the Mackinac Center was prepared. Our partners had equipped us with the resources necessary to leap into action, immediately and instinctively.

Thanks to generous donors, the initiative passed to us.

We humbly seized it and scored a series of legal and policy wins against emergency overreach. You'll read about many of them in this issue. The Mackinac Center neither seeks nor accepts government funding. All resources we receive are given freely out of the generosity of people who cherish the principles we stand for: individual liberty, the rule of law, free markets and private property.

We all owe a debt to those who readied the Mackinac Center to face future threats to liberty, long before any of us dreamed citizens would so readily surrender their freedoms in the face of an emergency. The fights of the moment matter greatly, yet we know that supporters give to prepare us for the battles of tomorrow.

The natural direction of government is overreach. That's why the Mackinac Center will never stop fighting for you and alongside you.



**By Jennifer Majorana**Senior Director of Advancement