



# **MBA Advocacy Report**

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**Michigan Bankers Association • 517-485-3600**

**507 South Grand Avenue • Lansing, MI 48933**

**March 1, 2006**

## **Governor Vetoes Tax Bills**

As expected, Governor Granholm vetoed legislation that cut the Single Business Tax and blocked a costly ergonomics legislative proposal last month. Both measures were supported by the MBA and the Reinvent Michigan Coalition. The Governor has vowed to veto any tax cuts legislation that is not revenue neutral. The good fight continues.

## **FDIC Announces Hearings on Wal-Mart ILC**

The FDIC has announced that it will hold hearings on Wal-Mart's application for federal deposit insurance on its proposed ILC. Recall that the mega-retailer is planning to start an industrial loan company (ILC) in Utah, which would open the door for them to offer banking services. This issue has drawn a record number of comment letters to the FDIC. The hearings will be held on April 10-11 in Washington, D.C., and April 25-26 in Kansas City. Written testimony on the matter will be accepted until March 28.

## **Numerous Grassroots Meetings Held**

A number of grassroots meetings were held in the last month with member bankers and our legislators. The MBA entertained US Senator Debbie Stabenow for breakfast in our offices on February 21. Senator Stabenow met with several MBA board members. In addition, member bankers have met with US Representative Joe Schwarz, and State Senators Mike Bishop (R-Rochester), Jud Gilbert (R-Algonac) and Tony Stamas (R-Midland).

MBA staffers also attended several fund raisers, including one for banker Brian Calley from Irwin Union Bank who is running for State Representative in the 87<sup>th</sup> House District.

## **Elder Abuse Task Force Meeting**

MBA Chairman-elect Mary Fowlie (LaSalle Bank) and MBA VP-Advocacy John Llewellyn will testify before the Michigan Task Force on Elder Abuse in Livonia on June 2. The state task force is investigating ways to combat elder financial abuse, including mandatory reporting by banks. MBA has launched an informational [website on elder abuse](#) and is developing a model training program for bank employees to detect and combat elder abuse.

## **CAP Rollout Meetings Well-attended**

The MBA organized a very successful series of rollout meetings for the newly reconstituted Capital Access Program. Over 20 bankers attended a meeting at Isabella Bank & Trust in Mt. Pleasant (thank you Rick Barz for hosting) and 30 bankers attended a meeting at University Bank in Ann Arbor (thank you Stephen Ranzini). A third meeting is scheduled for March 3 at United Bank of Michigan in Grand Rapids. Over 30 bankers are registered (thank you Art Johnson).

If anyone would like more information on the program but could not attend a meeting, please e-mail Todd Willoughby at [twilloughby@mibankers.com](mailto:twilloughby@mibankers.com) or call 517-342-9059.

## **Cunningham Hearing Scheduled**

The Senate Government Operations committee has scheduled a confirmation hearing for DLEG Director Paula Cunningham on March 15. Cunningham is Governor Granholm's nominee to replace former DLEG Director David Hollister. She is the former President of Lansing Community College who resigned last month amidst a dispute with the college's board of directors.

## **President Supports Mortgage Interest Deduction**

President Bush expressed opposition last month to the elimination of the mortgage interest tax deduction for homeowners. "I don't think you have to worry about the mortgage deduction not being a part of the income tax law," said Bush. Removing the deduction was a recommendation of the president's Advisory Panel on Federal Tax Reform.

## **Attack on Lansing Scheduled for March '07**

Mark your calendars now for the first ever MBA "Attack on Lansing" to be held March 21-22, 2007. The two-day grassroots event will be at the Radisson Hotel in downtown Lansing. In addition to legislative office visits and a legislative reception, there will also be seminars on lobbying and grassroots involvement. Keynote speakers will include statewide office holders and representatives from state agencies. More details will be forthcoming.

## **MBA Advocacy Committee Spotlight**

### **MBA Grassroots Advocacy Committee – Chairman Dennis Angner, IBT Bancorp, Inc**

The Michigan Bankers Association Grassroots Advocacy Committee's mission is to support an active program aligned with community base, customer relationship oriented approach to the banking issues. The primary focus is the strong support of political and legislative issues, both state and federal. Emphasis is also directed toward development of grassroots efforts toward these issues.

The following are events and projects currently being planned:

1. "Assault on Washington" scheduled for September 19-20, 2006
2. "Attack on Lansing" scheduled for March '07
3. A regional profile of economic development and community enhancement activities to present to state and federal legislators. Once completed this database will be accessible to all MBA members for grassroots action and efforts.

If you are interested in past issues of the Advocacy Report – [click here](#).

**FOR MORE INFORMATION**, or if you have any questions about any items mentioned in this report, please contact [John Lewellyn](#) at (517) 342-9058.