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To: Council About Parochiaid  
From: Cara Spagnuolo  
Date: December 07, 2009  
Re: Legislative Update

### **Constitutional Convention 2011?**

Most state government insiders say they believe that Michigan voters will shoot down a 2010 ballot question that would call for a 2011 constitutional convention, while 55 percent said they don't believe a con-con is needed.

Michigan's Constitution requires that voters be given a chance every 16 years to rewrite the state's governing document. If it is approved in 2011, 148 delegates representing each state House and Senate district would be elected to come to Lansing to review and propose changes to the Constitution.

Henry Woloson of Clarkston, our guest speaker at today's CAP meeting, had a hand in the past attempts to make the Legislature part time. He is rallying support for a "yes" vote on the question. Woloson's latest move, as one of the leaders of Energize Michigan, is calling for Michigan to return to a fiscal year that begins July 1 instead of October 1. According to a September 15 [Gongwer News Service](#) article, the group, Energize Michigan, is supporting voter approval of Proposal 1 in 2010 that would authorize a Constitutional Convention in 2011. They are supporting a constitutional change at the convention to require the Legislature to conclude its regular session by June 1.

John Axe, an attorney and Wayne State University professor, also called for a "yes" vote in 2006 on the basis that those attending the convention would write term limits out of the constitution.

Despite this, 73 percent of Capitol insiders said they did not think Michigan voters would opt to call for a con-con, compared to 18 percent who said "yes." The other 9 percent were undecided. Only 35 percent said they thought a con-con was needed anyway and 10 percent were undecided. These results came as a part of the MIRS-EPIC/MRA Insider Survey, which was emailed to over 1,000 lawmakers, lobbyists, association executives and executive branch officials over a three week period ending on May 18<sup>th</sup>.

According to Ed Sarpolus, Director of MEA Government Affairs, the average voter does not realize that if the Michigan Constitution were opened up, it becomes a blank sheet of paper in

the sense that nothing would have to be carried over from the current constitution. The estimated cost of opening the constitution is \$40 million, including room, board, salaries and elections for the 148 people to run as delegates. Sarpolus also cautioned that spending millions of dollars for the election opens the door for out of state influence to pay the cost for changing our constitution.

U.S. Rep. Pete Hoekstra (R-Holland), a Republican gubernatorial candidate, opposes the ballot proposal, claiming that the uncertainty would damage Michigan's already-hurting business community. The Michigan Chamber is expected to lead the charge against a con-con.

Most recently, the Michigan Catholic Conference came out in opposition to the proposed constitutional convention. According to a September 3 [Gongwer News Service](#) article, the organization's board of directors released a statement saying that it worried that the costs associated with a constitutional convention would further add damage to the state's financial ability to help the poor. The board went on to add that the Constitution isn't perfect and that amendments are needed, especially in terms of providing financial aid to non-public schools.

### **Race to the Top Program and Possible Effects for Michigan School System**

In an effort to develop education reform programs compliant with federal stipulations for receiving aid, Michigan is seeking to implement internal reforms in its public school systems. The federal government has set aside \$4.35 billion in grant funding for those states that are among the first to implement positive changes in administering public education in a "Race to the Top" program.

On December 1, Governor Granholm came out in favor of making sweeping education changes as a way to win a federal competition that could net Michigan around \$400 million in one-time money. Granholm made it clear that she supports all of the major changes the Legislature is completing during the month of December: allowing educated professionals to teach without going through the normal certification process, opening the door for more successful charter schools, creating a state takeover mechanism for poorly performing schools and setting up a data tracking system to measure the academic success of both teachers and students.

The RTTT program encourages states to increase both the efficiency and effectiveness of public schooling, providing financial incentives for states that are early in implementing changes. While early states will likely be rewarded for their efforts, the push comes as part of a nationwide effort to adopt meaningful changes in public school systems, and requirements for the Race to the Top program will likely be maintained as requirements for federal funding for education in the future.

Also on December 1, after weeks of testimony and discarding Senate Republicans' Neighborhood Schools plan, the Senate Education Committee took the first step by kicking out five bills that would make significant changes to the state's public education. On December 2, the Senate passed the five K-12 education reform bills.

[SB 0925](#), sponsored by Sen. Buzz Thomas (D-Detroit), passed 23-13, with Jelinek voting no and Thomas and Sen. Tupac Hunter (D-Detroit) voting yes. This would establish Schools of Excellence, charter-like schools run by entities that have operated schools with high student achievement. Cyber schools would also be allowed. Sen. Gretchen Whitmer's (D-East Lansing) amendment striking language allowing the state Superintendent to waive the law failed 14-22, with Hunter and Thomas crossing over. An amendment by Thomas allowing Wayne County Community College to establish charter schools passed.

[SB 0926](#), sponsored by Thomas, passed 23-13, with Jelinek and Sen. Nancy Cassis (R- Novi) voting no and Thomas, Hunter, Sen. Mickey Switalski (D-Roseville) and Sen. Deb Cherry (D-Burton) voting yes. The bill provides funding for charter-like Schools of Excellence and would require the Center for Educational Performance and Information (CEPI) to establish a teacher identification system tracking teachers by student performance.

Resolving one controversy, the S-6 floor substitute included a provision struck out of the committee version. The floor-passed legislation gives transitional funding to districts that would lose more than 2 percent of their students to new charters. The money would be used to improve schools or shut them down and open new ones to compete.

[SB 0965](#), sponsored by Kuipers, was the only bill to pass 36-0. That came after a compromise was reached to remove elementary school teachers from alternative certification rules via an amendment sponsored by Whitmer.

Sen. Gerald Van Woerkom (R-Norton Shores) won an amendment that would require school administrators to be certified. He also got an amendment that would allow elementary and junior high students to matriculate to the charter high school in the area.

[SB 0981](#), sponsored by Kuipers, was temporarily delayed. An amendment by Sen. Liz Brater (D-Ann Arbor) that would require the number of students with disabilities to be reported passed 20-16, with Cassis, Nofs, Kahn, Jelinek and Sen. John Pappageorge (R-Troy) crossing over. Cropsey called for the vote to be reconsidered, which Democrats objected to. However, that motion passed.

After some delay, the Brater amendment passed 36-0. Then the bill passed 28-8, with Brater, Hunter, Thomas, Switalski, Sen. Gilda Jacobs (D-Huntington Woods), Sen. Jim Barcia (D-Bay City), Sen. Glenn Anderson (D-Westland) and Sen. Hansen Clarke (D-Detroit) crossing over. [SB 0981](#) would allow the superintendent to appoint someone to take over the academics of chronically underperforming schools.

[SB 0982](#), sponsored by Kuipers, passed 23-13 with Thomas and Hunter crossing over. The bill would make the CEO the school's sole employer for the purposes of collective bargaining. The CEO could renegotiate collective bargaining contracts if it's deemed necessary, including seniority systems and work rules.

[SB 0638](#), sponsored by Sen. Patty Birkholz, (R-Saugatuck), passed the Senate in the late afternoon on December 3 after having gone down twice in the last two days. Sen. Bruce Patterson (R-Canton), who didn't vote on the bill earlier in the afternoon, joined fellow Republicans to cast the deciding 20<sup>th</sup> vote. The bill allows "ineffective" teachers to be let go outside of traditional tenure rules. An amendment passed that was proposed by Sen. Randy Richardville (R-Monroe), who had voted against the bill on the previous day. The amendment would require standards to be approved by the state superintendent or by a local school board and subsequently by the state superintendent. On Wednesday, the bill failed 17-18, with Sens. Ron Jelinek (R-Three Oaks) also voting no with Democrats. Sens. Michelle McManus (R-Lake Leelanau) and Martha G. Scott (D-Highland Park) were absent.

Ed Sarpolus of the Michigan Education Association (MEA), which opposes the bill, was disappointed at the vote, but noted that "this did not come easy" with the three votes. He predicted the measure will struggle in the Democratic-led House. While [SB 0638](#) is part of the six-bill package of education reforms aimed at getting the RTTT funds, AFT Michigan and the MEA contend that the teacher tenure reform isn't necessary to get the money and Republicans are just lumping in a political issue for them.

"Raced to the Top doesn't require any change in tenure law at all," Sarpolus said. "It just ensures evaluations of teachers that are underperforming. There's no reason to open up tenure."

Senate Education Chair Wayne Kuipers (R-Holland) noted that the Legislature was "under a bit of a timeline," as drop-dead federal deadline is January 19<sup>th</sup>, but he stressed that the reforms have been debated for years. Senate Majority Leader Mike Bishop (R-Rochester) told reporters that there was a critical "window of reform" and the RTTT funds provided a "great opportunity."

One of the requirements of the program would ensure the creation of a tracking system to monitor students' performance throughout their entire tenure in the public school system – from preschool up until entering the workforce – and will also track the teachers and administrators that have been involved in the student's education.

With only a select number of states receiving the grant (approximately five or six total), Michigan lawmakers will be encouraged to rely heavily on compromise across the aisles to ensure the safe passage of bills relevant to the program.

### **School Aid Bill Passes, After First Being Voted Down**

Efforts to pass a school aid bill with a \$218 per pupil cut and a 44% reduction to ISD's clearly were short of the 56 votes needed for final passage in the House, the first body to receive HB 4447, the school aid budget bill, and the first conference committee report was voted down.

The House and Senate exchanged proposed “continuation” budget bills before finally approving a new school aid budget bill with a lower cut--\$165 per student in K-12 districts and 20 % reduction in ISD operational funding. The Governor followed this up with a \$127 per pupil proration, as well as a number of line item vetoes, most notably Section 20j.

The second conference committee report preserved at-risk funding at the current year’s level and also retained school based readiness funding at the current level—good news, given that the original Senate passed version of the school aid bill had essentially eliminated the readiness funding. Special Ed millage reimbursement (Sec. 56) was restored to the current level after being eliminated by the Senate.

Districts were given the latitude to take this cut out of any other funded program except for the mandated ones: *Durant* bond payment, Proposal A part of foundation allowance, school lunch, and special education. To have this flexibility, the district must enter into an agreement with the Michigan Department of Education by February 1 to develop a services consolidation plan to reduce school operating costs that is in compliance with department guidelines. The department was to establish guidelines for these plans within 60 days after the school aid bill becomes law, and has done so. The guidelines identify allowable cost-sharing arrangements for the provision of business and instructional services and the creation of joint operating agreements between and among districts and ISD’s. The school community, with parents at the forefront, continues to press state policy makers to come up with enough revenue to forestall the proration.

### **Gubernatorial Candidates**

Lt. Gov. John Cherry is the Democratic Party's forerunner choice, while Speaker Andy Dillon (D-Redford) is obviously eyeing a run. Most recently, Lansing Mayor Virg Bernero has enjoyed some press time discussing a potential candidacy. The Republican race seems wide open as U.S. Rep. Pete Hoekstra, Attorney General Mike Cox, Oakland County Sheriff Michael Bouchard and others jockey for position.

Trailing Cherry are State House Speaker Andy Dillon, who hasn't said he's running, and former Michigan State University football coach George Perles, both with 6%, and state Rep. Alma Wheeler Smith and former Representative John Freeman, with 2% each. Perles, Smith and Freeman all have said they're running.

### **Bills Introduced of Interest to CAP**

**HB 4609**, introduced by Rep. Kim Meltzer (R-Clinton Township), would require expenditure reporting requirements for school districts and public school academies including:

- amount of the school district’s or PSA’s total budget

- number of full time equated pupils served by the school district or PSA
- number of employees
- names and positions of the board or board of directors
- each member of the school board of directors or school administrator of the school district of PSA who have travel expenses during the school fiscal year totaling more than \$3,000 paid for with school district or PSA funds

This bill has been referred to the House Committee on Education.

**SB 564**, introduced by Sen. Gerald Van Woerkom (R-Norton Shores), would allow charter school enrollment priority to the following pupils: a sibling of a pupil enrolled in the PSA or a pupil who transfers to the PSA from another PSA pursuant to an agreement between the PSAs that provides for this enrollment priority. This bill has been referred to the Senate Committee on Education.

**SJR A**, introduced by Sen. Mike Bishop (R-Rochester) would provide for limitation of legislative session and repeal of term limits for legislators first serving in 2011 or later.

**HJR W**, introduced by Rep. Tim Moore (R-Farwell) proposes an amendment to the Constitution to provide for a part-time legislature, revise the session calendar, reduce legislative salaries, and limit extraordinary sessions.

#### **House Public Employee Healthcare Reform Committee Members 2009-2010**

Chair, Pam Byrnes (D-Chelsea)  
 Vice Chair Tim Melton (D-Auburn Hills)  
 Harold Haugh (D-Roseville)  
 Bert Johnson (D-Highland Park)  
 Michael Lahti (D-Hancock)  
 Dan Scripps (D-Leland)  
 Kate Segal (D-Battle Creek)  
 Woodrow Stanley (D-Flint)  
 Minority Vice Chair Phil Pavlov (R-St. Clair)  
 James Bolger (R-Marshall)  
 Bob Genetski (R-Saugatuck)  
 Matt Lori (R-Constantine)  
 Bill Rogers (R-Brighton)