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To: Council About Parochiaid
From: Cara Spagnuolo and Ellen Hoekstra
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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.

The proposed constitutional convention will be one of two proposals on the ballot for 2010. The second is a proposal to amend the Michigan's Constitution to prohibit certain felons from holding elective office and specified types of public employment positions. Most regular election years see a minimum of two ballot questions. Since the Michigan Constitution of 1963 was approved, there have been only two years when there was one initiative on the ballot -- 1964 and 1966. The Citizens Research Council (CRC) has been publishing a series of articles analyzing the proposed con-con www.crcmich.org. According to CRC's latest article that analyzes the Executive Branch, at the same time Michigan voters will be asked whether or not to call a constitutional convention, voters will be asked to elect a new chief executive for state government. In addition to Governor Granholm, three other statewide executive branch officials (lieutenant governor, secretary of state and attorney general) will be required to exit their offices due to the term limitation provisions.

This complete turnover will usher in new officials who will be responsible for executing state laws and delivering services to Michigan residents. For 47 years, Michigan state government has operated under a constitutional framework that centralizes executive power in a single office and provides for a strong governor. Despite this consistency, a number of issues might be considered by a potential constitutional convention charged with looking at Article V dealing with: executive reorganization powers, single versus plural executive, filling legislative vacancies of executive officials, the governor's role in the state budget process and the governor's appointment process. While it is likely that a con-con would examine these and other issues related to Article V of the 1963 Constitution, Craig Thiel of CRC added in his report, "Nothing in Article V has prevented the executive branch from governing effectively since its

enactment nearly 50 years ago and no issues have risen to the level of a crisis that would suggest immediate modifications necessary.”

As we have discussed previously, voters may or may not vote in November to approve a Constitutional Convention. Sen. Tom George (R-Texas Township) said he wants to be ready if they do. George, who ran for governor and who backs a con-con, sponsored a six-bill package on June 1st that would set up a framework for a con-con. George said, “Those arguing against a con-con say it’s unaffordable and will be dominated by special interests. This package would set up campaign finance reporting requirements for candidate campaign committees, establish limits on contributions to delegate candidates and prohibit an independent or political committee from contributing to a candidate.”

When asked by *MIRS* if he thought the bills would be taken up, George said, “I don’t know, but it’s meant to prompt a discussion.” The package would also make sure delegates are reimbursed for mileage, eligibility requirements and election dates are set for delegates and that candidates disclose income received during the preceding year over \$10,000.

Henry Woloson of Clarkston, a guest speaker at CAP’s December meeting, had a hand in the past attempts to make the Legislature part time. Woloson will be supporting a constitutional change at the convention to require the Legislature to conclude its regular session by June 1. Woloson is also a strong proponent of moving the fiscal year from October to July 1.

He began his presentation by giving members a brief background on the Constitution and providing a chart of both full time and part time legislatures from various states comparing the average job time, compensation and staff size. Woloson pointed out that the major issue of a constitutional convention is a divide of the left and right; one side is always worrying about the other. He offered that instead, why not open the process and discuss it? Woloson noted that even if people don’t feel comfortable with the process, they should still have good delegates in place and ready to run if the process becomes a “yes.”

There was some discussion of this perspective after Woloson’s presentation. It was concluded that this notion was something that CAP members had not considered in past discussions. It was noted that finding ways to be prepared and proactive would be in everyone’s best interest.

According to Ed Sarpolus, then 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) opposes the ballot proposal, claiming that the uncertainty would damage Michigan’s already-hurting business community.

The Michigan Catholic Conference also 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.

MDE Receives Grant to Support New Charter Schools

The Michigan Department of Education (MDE) has received from the United States Department of Education (USED) a grant award of \$16,684,578 for use during the 2010-2011 and 2011-2012 school years to strengthen the pool of charter school developers in Michigan and support new charter schools. According to MDE, the three types of subgrants are: 1) New public school academies opening Fall 2010 are invited to compete for twelve-month implementation grants. The competitive grants may be approved for up to \$255,000. Successful completion of the competitive grant qualifies this new PSA to apply for a second year implementation grant in the amount of \$255,000. 2) Earlier stage PSA developers planning for Fall 2011 or Fall 2012 opening may be eligible to compete for eighteen month planning grants. These competitive grant awards may also be approved for up to \$110,000 in planning expenses, and successful completion of the planning grant, along with acquisition of a charter, will qualify the PSA to apply for further first and second year implementation funding of at least \$200,000 annually. 3) A portion of the 2010-2011 federal award (\$826,838) may be available to Michigan PSAs that have not already received a dissemination grant and may apply if they:

- Have been in operation for at least three consecutive academic years, and are financially viable and operationally successful and
- Have achieved at least 70 percent proficiency in both reading and math per MEAP results of serve Strict Discipline Academies (SDAs) or Alternative Education populations and have alternative evidence of the academic success.

Eligible charter schools have been identified and will be posted with the grant application on the MDE's website: www.michigan.gov/charters.

Senate Passes SAF Transfer

Governor Jennifer Granholm, House Speaker Andy Dillon (R-Redford Township) and Senate Majority Leader Mike Bishop (R-Rochester Hills) last week put their signatures on a target agreement for an \$8.3 billion Fiscal Year (FY) 2011 General Fund budget with the goal of having the budget done by next Thursday, September 16th.

The deal also rests on shifting \$208 million from the School Aid Fund (SAF) to the General Fund which passed the House on August 25. Realistically, House leadership pointed out that the shift needed to be made in order to balance the FY 2010 budget. Technically, the money will be used to cover the costs of the state's public community colleges. The Senate, on Wednesday,

followed the House's lead and transferred \$208 million from the SAF to the General Fund for FY 2011. HB 6086, sponsored by Rep. George Cushingberry (D-Detroit) passed 21-14. On Thursday, Governor Jennifer Granholm made the transfer official by signing HB 6086, which is now Public Act 158.

Sen. Bruce Patterson (R-Canton) voted no, arguing that Michigan's Constitution doesn't state that "higher education" includes community colleges. The Senate has not taken up HB 5872, which transfers \$312 million in new federal education money to the School Aid Fund for FY 2011. The House passed that bill last month as well. One other element of the deal is the elimination of Renaissance Zone payments to school districts, community colleges and libraries. School districts would lose \$9.2 million in reimbursement under this proposal, which will require legislative action.

Federal Improvement Funds Awarded to 28 Struggling Michigan Schools

On September 2, 2010, the Michigan Department of Education announced that twenty-eight of Michigan's lowest achieving schools have been awarded federal School Improvement Grant (SIG) funds to help them increase student achievement.

The funds are from the federal School Improvement Grant, which is part of the American Recovery and Reinvestment Act (Recovery Act) that was signed into law by President Obama last year. Michigan received \$115 million in the first-round competitive SIG funds for local schools to improve teaching and learning for all students. Using federal rules, only \$86 million was available for immediate grant awards, with the remainder rolling into a second round of funding later in the year.

The 28 schools receiving grants today earned them based upon meeting the federal grant requirements and having the highest quality applications. They are located in urban, suburban and rural communities throughout Michigan. The schools eligible for the School Improvement Grant were identified by student achievement and academic growth based on state testing data from the 2007-2009 school years. There were 108 schools eligible to apply and 84 sent in applications.

Districts with eligible schools had to submit a detailed school improvement plan using one of four improvement models required by the U.S. Department of Education. SIG funds must be used to provide Title I allowable school programming and activities. The four federally-required school improvement models are: **Transformational Model**-Districts would address four specific areas: 1) developing teacher and school leader effectiveness, which includes replacing the principal who led the school prior to the commencement of the transformational model; 2) implementing comprehensive instructional reform strategies; 3) extending learning and teacher planning time and creating community-oriented schools; 4) providing operating flexibility and sustained support. **Turnaround Model**-This would include, among other actions, replacing the principal and at least 50 percent of the school's staff, adopting new governance structure and implementing a new or revised instructional program. **Restart Model**-School districts would

close the school and reopen it under the management of a charter school operator; a charter management organization; or an educational management organization selected through a rigorous review process. A restart school would require to enroll, within the grades it serves, any former student who wishes to attend. **School Closure**-The district would close the low-achieving school and enroll the students who attended that school in other high-achieving schools in the district.

A list of the 28 schools and SIG Frequently Asked Questions are available for review. Copies are also available on the Michigan Department of Education's website: www.michigan.gov/mde

92 Lowest Achieving Schools Identified

On August 16, 2010, 92 schools identified by state law as the Persistently Lowest Achieving Schools will be required to develop Redesign Plans approved by the newly-formed State School Reform/Redesign Office in the Michigan Department of Education, or risk being placed in a statewide School Reform District.

The Michigan Department of Education released its up to date "Top-to-Bottom" ranking of all schools, based on a federally-approved measure of student achievement and academic growth over the past four years. The Top-to-Bottom ranking list was developed using student testing data for reading and math on the MEAP test and the Michigan Merit Exam for the 2006-2007 through 2009-2010 school years.

Districts with schools on the Persistently Lowest Achieving Schools list must submit a Redesign Plan to the Michigan Department of Education's School Reform Officer by November 16, using one of four improvement models required by the U.S. Department of Education (same models as required by the SIG grants). Schools may begin to implement their plans immediately, but must begin them no later than the 2011-2012 school year.

A complete list of the 92 Persistently Lowest Achieving Schools is available for review. A copy of the full report is available on the Michigan Department of Education website: www.michigan.gov/mde

A Change at the Michigan Catholic Conference

September 8, 2010: Michigan Catholic Conference Board of Directors unanimously voted to name Paul A. Long, MCC Vice President for Public Policy, as the Conference's next President and Chief Executive Officer. Long succeeds Sister Monica Kostielney, RSM, who is retiring in November after 38 years of service to the Conference, the last 16 as President/CEO.

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 1, 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 23, 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.