



David Hecker  
President

Lois Lofton Doniver  
Secretary-Treasurer

Louise Somalaki  
Legislative Coordinator

419 South Washington  
Suite 301  
Lansing, MI 48933  
517-371-4300  
FAX 517-371-1922

## Revenues and Budgets Update

The State Treasury, the Senate Fiscal Agency, and the House Fiscal Agency held their January Consensus Revenue Estimating Conference as required by the State Constitution. At this conference fiscal experts formulated the State's revenue estimates and how they impact the state's budgets. These revenue estimates are used to make mid-year budget changes, if necessary, and supply estimates for the Governor's budget proposals.

The Consensus Revenue Estimating Conference reported that the world is entrenched in the **worst economic slowdown since the end of World War II**. Economists expect that things will actually get worse during the first part of 2009. They anticipate that the national economic situation may begin to turn around in the latter part of 2009, but only if a massive federal stimulus package is enacted.

### 2007 - 2008 Budget Book Closing (Last Year's)

The State issued its final financial report for the previous fiscal year on January 8 showing that 2007 - 2008 concluded with \$457.9 million left in the General Fund. Another \$2.2 million was left in the Budget Stabilization Fund. School Aid ended the fiscal year with \$254.6 million left in its fund. These dollars will carry over and be used to **cover shortfalls in the current year** (2008 - 2009) budgets.

### 2008 - 2009 Budget Estimates (Current Year)

The Revenue Conference estimated a \$157.7 million hole in the General Fund in **FY 2009**, which ends September 30. Lower School Aid Fund revenue estimates for the **current year** could mean a deficit of some \$38.3 million. These are very small portions of both funds, and will **not require a proration or executive order cuts at this time**.

### 2009 - 2010 Revenue Estimates (Next Year)

Given this year's School Aid Fund and General Fund expenditures, projected revenues for next year will create approximately a \$1.4 billion shortfall. The 2009 - 2010 School Aid Fund deficit will be approximately \$234 million, and the General Fund will have approximately a \$1.2 billion deficit.

The numbers in both the School Aid Fund and the General Fund assume no federal stimulus package and no increase for K-12 schools, universities, community colleges, local governments or any other budget items.

These estimates also take into account current expenditures, reduced taxable value, increases in constitutional mandates, and **a 29,000 K-12 pupil drop** for the 2009 school year. Governor Granholm will use the Consensus Revenue Estimating Conference figures as a basis for her 2010 budget proposals.

Although the Governor has advised that no cuts to school funding should be necessary for the remainder of the 2008 - 2009 fiscal year, she said nothing is off the table for 2009 - 2010, including cuts to K-12 School Aid. The Executive Budget Proposals are expected to be presented in February.

## **Legislative Update for 2007 - 2008**

The 94<sup>th</sup> Legislature ended with a marathon 25-hour session. Our thanks to the AFT Michigan President Hecker and Staff Representatives Mark Ciolek, Jon Curtiss, Agatha Butts-Dier, Liz Duhn, Julie Matuzak, Daryl Newman, Alyssa Picard, Ginger Roeher, and Lynn Marie Smith, who helped us keep watch over important legislative matters in the final three weeks of the session. We also want to thank our members who contacted their Legislators by phone, mail, or e-mail throughout the year.

Nearly 4,500 bills were introduced in the 2007 - 2008 session. Listed below is an update on what happened to some of the important education issues late in December 2008.

Many of these issues will be back in the coming session. With 46 new state representatives (nearly half of the 110 seats), we will need to do a lot of educating to inform them about how best to help us educate Michigan's citizens. Lawmakers will also have their hands full with an estimated \$1.4 billion deficit in next year's state budget.

**INTERVENTION PROGRAM FOR K-3 - Senate Bill 1039** (Cassis, R-Novi) (**Public Act 582, 2008**) permits an intermediate school district to develop and make available to school districts and public school academies an early intervening model program for kindergarten to third grade. The early intervening model program must to be designed to instruct classroom teachers and support staff on how to monitor individual pupil learning and how to provide specific support or learning strategies to pupils as early as possible in order to avoid inappropriate referrals to special education.

**MICHIGAN PROMISE ZONE ACT - House Bill 5375** (Valentine, D-Muskegon) (**Public Act 550, 2008**) and **Senate Bill 861** (Van Woerkom, R-Muskegon) (**Public Act 549, 2008**) create the "Michigan Promise Zone Act" to allow an eligible entity (a city, township, county, school district, or intermediate school district) having areas of high poverty to create promise zone authorities whose purpose would be to ensure financial assistance for postsecondary education to high school graduates who both live and go to school within the zone's boundaries. (THE CHARTER SCHOOL EXPANSION AMENDMENT CONTAINED IN THE SENATE VERSION WAS REMOVED IN THE HOUSE.)

**COMMUNITY COLLEGE JOB TRAINING PROGRAM - Senate Bill 1342** (Jansen, R-Grand Rapids) (**Public Act 359, 2008**) and **House Bill 6185** (Hammel, D-48) (**Public Act 360, 2008**) authorize community college districts to operate a new jobs training program that involves entering into training agreements with Michigan employers to train and educate new employees. The program will be financed by diverting income tax withholding of those new employees directly to the community colleges, or to the Michigan Strategic Fund, rather than to the state treasury. The community colleges can issue bonds to finance training programs, with the bonds financed by the income tax withholding payments.

**ADEQUATE YEARLY PROGRESS - Senate Bill 1013** (Kuipers, R-Holland) would have applied certain measures to a school that failed to meet adequate yearly progress under the No Child Left Behind Act for five or more years, *instead* of to a school that had been unaccredited for three consecutive years. (This would have increased the number of schools these provisions apply to from under 10 to over 300). House Bill 1013 **passed the Senate, but died in the House Education Committee.**

**LITERACY SKILLS TRAINING - Senate Bill 842** (Kuipers, R-Holland) would have required the Superintendent of Public Instruction to include in the continuing education requirements for teachers and school administrators training in at least three research-based reading interventions and appropriate training in the use of data in determining whether intervention was needed on an individual or building-level basis, with current employees required to complete that training by July 1, 2013, and those hired after that date to have completed the training. Senate Bill 842 **passed the Senate, but died in the House Education Committee.**

**LITERACY SKILLS TRAINING - Senate Bill 1275** (Kuipers, R-Holland) would have required a district that had failed to meet English Language Arts requirements under the No Child Left Behind Act to use discretionary nonmandated payments from the State to provide an early intervening program for pupils in grades K to 3. Senate Bill 1275 was originally referred to the Senate Education Committee and then re-referred to the Senate Appropriations Committee where it **died at the end of session.**

**GRADUATION REQUIREMENTS - House Bill 6247** (Hopgood, D-Taylor) would have modified the process by which a personal curriculum can be sought for a high school student in order to modify the standard Michigan Merit Curriculum. It specified that a personal curriculum could be sought for a student who had completed Grade 9 and would expand the list of those who could request the personal curriculum for a student. In addition, the bill would allow modification of the high school mathematics requirements to occur after a student had completed 1-1/2 credits of math (without necessarily having attained a passing grade), instead of having successfully completed 2-1/2 credits. House Bill 6247 **passed the House, but died in the Senate Education Committee.**

**FIRST CLASS SCHOOL DISTRICTS - HB 5765** (Scott, D-Detroit) would have modified the number of pupils enrolled in a school district to determine status as a first class school district, reducing it from 100,000 to 60,000. House Bill 5765 was **passed by the House, but died in the Senate Education Committee.**

**SCHOOL BULLYING - House Bill 4091** (Vagnozzi, D-Farmington Hills) would have required all school districts to establish policy prohibiting bullying at school. House Bill 4091 **passed the House, but died on the floor of the Senate.**

**SCHOOL BULLYING - House Bill 4201** (Wenke, R-Richland) would have required a local policy on bullying and harassment, as well as teacher instruction and professional development on classroom management. House Bill 4201 was **never acted upon** by the House Education Committee.

**MPSERS: COMMUNITY COLLEGE EMPLOYEES - Senate Bill 1450** (Kuipers, R Holland) would have excluded from the Michigan Public School Employees' Retirement System (MPSERS) a person who became employed by a tax-supported community or junior college that submitted a resolution to withdraw from MPSERS by December 1, 2009. Senate Bill 1450 was reported out of the Senate Education Committee but **died on the Senate Floor.**

**COLLEGE EMPLOYEE RETIREMENT - House Bill 4912** (Wenke, R-Richland) would have removed college employees from the school retirement system. House Bill 4912 was **never acted upon** by the House Education Committee.

**MANDATORY KINDERGARTEN - House Bill 4662** (V. Smith, D-Detroit) would have revised age requirement for mandatory kindergarten. House Bill 4662 **died on the House Floor**.

**FULL-DAY KINDERGARTEN - Senate Bill 162** (Clark-Coleman, D-Detroit) would have provided mandatory enrollment and full-day kindergarten. Senate Bill 162 was **never acted upon** by the Senate Education Committee.

**DROPOUT AGE - Senate Bill 11** (Brater, D-Ann Arbor) would have increased compulsory age for school attendance to 18 and provided for certain alternative education options. Senate Bill 11 **died in the Senate Education Committee**.

**DROPOUT AGE - House Bill 4042** (Lemmons D-Detroit) would have increased the age of compulsory school attendance to 18. House Bill 4042 **died on the House Floor**.

**COMPULSORY ATTENDANCE AGE - House Bill 5594** (Sak, D-Grand Rapids) would have increased compulsory attendance age to 18. House Bill 5594 was **never acted upon** by the House Education Committee.

**TRUANCY - Senate Bill 488** (Jacobs, D-Huntington Woods) would have required adoption and implementation of local truancy policies by schools and local prosecutors. Senate Bill 488 was **never acted upon** by the Senate Education Committee.

**TRUANCY - House Bill 5382** (Clack, D-Flint) would have required adoption and implementation of local truancy policies by schools and local prosecutors. House Bill 5382 was **never acted upon** by the House Education Committee.

**CLASSROOM INSTRUCTION - House Bill 4857** (Hoogendyk, R-61) - would have required a certain percentage of educational operational budget to be used on classroom instruction. House Bill 4857 was **never acted upon** by the House Education Committee.

**SCHOOL CONTRACTS - House Bill 6085 & 6086** (Palmer, R-Romeo) - would have allowed education mandate rollback contracts waiving certain statutory and administrative requirements as part of performance contracts. House Bill 6085 & 6086 was **never acted upon** by the House Education Committee.

**PUBLIC SCHOOL EMPLOYEE STRIKES - Senate Bill 1673** (Bishop, R-Rochester) would have required the superintendent of public instruction to notify the commission of the full or partial days a public school employee was engaged in the strike. Not more than two days, instead of the current 60 days, after receipt of a notice of a strike, the commission would have had to conduct a hearing to determine if there has been a violation and shall issue its decision and order. If the commission makes a determination that a strike or lockout exists after a hearing, that finding shall not be overturned except by clear and convincing evidence. Senate Bill 1673 retained the current fines and penalties against striking public school employee. Senate Bill 1673 was **never acted upon** by the Senate Education Committee.

**DIPLOMA CURRICULUM** - **House Bill 5943** (Sheltrown, D-West Branch) - would have provided for 2 diploma pathways. House Bill 5943 was **never acted upon** by the House Education Committee.

**SCHOOL TESTING** - **Senate Bill 812** (Jelinek, R-Three Oaks) would have eliminated the requirement for State to develop end of course examinations for high school curricula. Senate Bill 812 was **never acted upon** by the Senate Education Committee.

**VOCATIONAL EDUCATION** - **House Bill 4748** (Proos, R-St. Joseph) would have revised definition of vocational education and use of vocational education funds. House Bill 4748 was **never acted upon** by the House Education Committee.

**MANDATORY SCHOOL ADMINISTRATORS** - **House Bill 6705** (Melton, D-Auburn Hills) would have required that a school that failed to achieve state accreditation for three consecutive years or federal adequate yearly progress for four or more years hire a school administrator selected from a list compiled by the Michigan Department of Education. The contract would be for a period of five years and would contain specific performance benchmarks the school must achieve. The Administrator would have full control over expenditures and all state school aid paid to the school district. House Bill 6705 was **never acted upon** by the House Education Committee.

## **94<sup>th</sup> Legislation Session**

Bills not passed by both houses and signed by the Governor during the 94<sup>th</sup> Legislative Session are now dead. New bills will have to be introduced starting January 2009. During the 94<sup>th</sup> Legislature, 61 of 467 bills regarding education were signed into law (28 of 256 bills on Education Policy, 14 of 133 bills on Higher Education, 6 of 40 bills on School Aid, and 5 of 28 bills on Retirement.) Listed below are highlights of legislation that AFT Michigan worked on over the last two years.

### **AFT Michigan's legislative accomplishments include:**

- ☺ Delay Reading Training - Extend Implementation Requirement until July 1, 2009- PA 32, 2007
- ☺ Public Employee Health Care Pools - PAs 106, 107, 108, & 109, 2007
- ☺ Revenue to Support Education - PA 94 and PA 145, 2007
- ☺ Revised Definition of Vocational Education & Use of Funds - PA 45, 2007
- ☺ 2008 - 09 Community College Budget - Modest increases in funding - PA 255, 2008
- ☺ 2008 - 09 Higher Education Budget - Modest increases in funding - PA 213, 2008
- ☺ 2008 - 09 School Aid Budget - Modest increases in funding - PA 268, 2008
- ☺ Supplemental K-12 Budget - PA 112, 2008

### **Detrimental legislation AFT Michigan help to fend off in 2007 - 2008 includes:**

- ☹ School Vouchers (Stopped Before Introduced)
- ☹ Education Flexibility Contracts - HB 6085 & HB 6086
- ☹ Public School Employee Strikes - SB 1673
- ☹ Unlimited Charter Schools in Wayne County - HB 4043
- ☹ Remove of Community College Employees from School Retirement System - SB 1450 & HB 4912
- ☹ Require Define Contribution for Public School Employees Retirement - HB 4107
- ☹ 65% Solution - HB 4857

**Detrimental legislation AFT Michigan was successful in amending includes:**

- Consolidation of School Services - PA 63, 2007
- Common School Calendar - PA 101, 2007
- Graded Premium - PA 110 & PA 111, 2007
- School Board Members as Volunteers - PA 22, 2008

**Issues introduced but not enacted into law includes:**

- ◆ Full-Day Kindergarten - SB 162
- ◆ Mandatory Kindergarten - HB 4662
- ◆ Reinstate Collective Bargaining Rights for Non-Instructional Employees - HB 4533
- ◆ Worker Freedom Act Regarding Religious and Political Matters - HB 4316
- ◆ Campaign Finance Law Revisions - HB 4628
- ◆ Ban Adverse Employment Consequences For Legal Activities Away from Work - HB 4532
- ◆ Prohibits Use of Job Applicant's Credit History for Employment Purposes - HB 4887
- ◆ Increase Dropout Age to 18 - HB 4042 & SB 11
- ◆ MSRP Teacher Tenure Resolution - Working with Michigan Department of Education
- ◆ Expand Personal Curriculum Availability and Modify High School Math Requirements - HB 6247
- ◆ Reduce the Pupil Enrollment Requirement for First Class School District - HB 5765
- ◆ Require Policy Prohibiting Bullying and Harassment at School - HB 4091 & HB 4201
- ◆ Require Adoption and Implementation of Local Truancy Policy - SB 488 & HB 5382

**Thank You - Thank You - Thank You!**

We want to **thank our members** who have supported our efforts in Lansing by phoning, faxing, or e-mailing their state legislators with comments and concerns, and attending Lobby Day, as well as testifying at hearings on behalf of AFT Michigan.

**YOUR ASSISTANCE IS GREATLY APPRECIATED!**

*Another vital step is donating to the AFT Michigan PAC,  
which enables your union to support legislators who support you.*

**Flanagan Warns of Possible School Consolidations**

At the January State Board of Education Meeting, State Superintendent Mike Flanagan encouraged local and intermediate school districts to consider voluntarily consolidation of their non-instructional services operations. He warned that due to 2009 - 2010 budget challenges, the state legislature may make such consolidations mandatory. Flanagan said that if there is no indication that districts are looking to save money through sharing services, he would become the leading proponent of merging those districts.

Last year's report to lawmakers revealed that ISDs have consolidated 90 percent of their professional development; 87 percent on their improvement of instruction, administrative technology support and instructional technology support, and 81 percent in human services and transportation. However, only 58 percent shared legal services; 59 percent shared printing; and 74 percent shared shipping and receiving services.

## **Macomb County Legislator Meeting**

On January 7, 2009, **Macomb ISD Federation of Teachers** hosted a town-hall-style meeting with their Legislators to discuss important education issues that may come before the Legislature during the coming year. Senator Dennis Olshove, Representative Kimberly Meltzer, Representative Fred Miller, Representative Tory Rocca, Representative Jennifer Haase, Representative Harold L. Haugh, Representative Lesia Liss, and Representative Sarah Roberts joined us for a lively discussion.

The meeting was attended by approximately 70 members from the East Detroit Federation of Teachers, Roseville Federation of Teachers, Lake Shore Association of Education Secretaries, Utica Federation of Adult Education Teachers, Lake Shore Federation of Support Staff, Van Dyke Assistants Federation, Lake Shore Federation of Teachers, Van Dyke Professional Personnel, Macomb ISD Federation of Paraprofessionals, Warren Woods Federation of Paraprofessionals, and Macomb ISD Federation of Teachers.

Our thanks to our Macomb County members for making this meeting a tremendous success. Remember to keep in contact with your Legislators all during the 95<sup>th</sup> session, so they know what we need to provide the best possible education for Michigan's citizens.

We encourage all our AFT Michigan locals to host a town-hall style meeting with their legislators early this year! Please contact Louise Somalski at (517)371-4300 or [lsomalski@aftmichigan.org](mailto:lsomalski@aftmichigan.org) to schedule an event.

## **Michigan Department of Education Grants**

The AFT Michigan website has been updated to include allocations to our locals for the grants listed below. Please check out the website at <http://www.aft.org> to see if your school qualified for any these grants.

- 2007 - 2008 Fresh Fruit and Vegetable Program
- 2008 - 2009 Fresh Fruit and Vegetable Program
- 2008 - 2009 Title I, Part A – Pilot ISD Partnership
- 2008 - 2009 Title I, Part C – Migrant Education Program
- 2008 - 2009 Title II, Part A (3) - Improving Teacher Quality
- 2008 - 2009 Title III, Part A – Immigrant Grant Program
- 2008 - 2009 IDEA Special Education - State Personnel Development Grant
- 2008 - 2009 McKinney-Vento Homeless Assistance Act

bk:opeiu42aflicio

## **What's Up at the Capitol**

Revenues and Budgets Update .....	1
Legislative Update for 2007 - 2008 .....	2
94 <sup>th</sup> Legislation Session .....	5
Flanagan Warns of Possible School Consolidations .....	6
Macomb County Legislator Meeting .....	7
Michigan Department of Education Grants .....	7