



TEACHERS SUE MEA TO ESCAPE UNION

BY JARRETT SKORUP

Miriam Chanski teaches her kindergarten students to respect other people's rights.

Now the Coopersville school district teacher is becoming an example for her students.

Chanski wants to leave her union, the Coopersville Education Association, an affiliate of the Michigan Education Association. She wants out as part of the state's right-to-work law, but the union will not let her leave, and she says it threatened her credit rating if she doesn't pay dues. So now she's doing something about it.

She is one of a number of teachers from across Michigan who filed complaints with the Michigan Employment Relations Commission

against their local unions and the MEA, challenging the one-month August window the union says is the only time they are allowed to leave. The Mackinac Center Legal Foundation is representing the educators in the unfair labor practice cases.

To see more stories on teachers fighting back against union threats, go to page 9 and look for this symbol. →



Chanski didn't give much thought to opting out of the MEA until this past spring when a union representative came into her classroom to get her credit card or bank account number to ensure that she paid her dues electronically.

"At that time, I did not feel comfortable giving either of those numbers," Chanski said. "That is very private information that I did not want on a piece of paper."

But that was the only option the union gave her. However, with the state's passage of a right-to-work law, she felt she had more options than before. After discussing it with people she trusted, she decided to opt out.

On her union dues form, Chanski wrote at the top that she was intending on dropping out. In July, she got a letter from the local Uniserv director.

"She informed me that they did in fact receive my e-dues form and noted that I was choosing to opt out of the union," Chanski said.

See "Lawsuit Filed," Page 8



Miriam Chanski

INSIDE THIS ISSUE

Back Page



A sampling of proposed state laws



Detroit taxes closed company Page 5

Pressure Mounting For MEDC Transparency

BY JACK SPENCER

Those who want to bring transparency to the Michigan Economic Development Corp. have some new allies — House Democrats.

The MEDC is a government authority that is supposed to spur economic activity and promote the state of Michigan. For years, the MEDC has been criticized for a lack of transparency.

House

Democrats are joining critics like the Mackinac Center for Public Policy in saying that Michigan taxpayers have the right to find out whether the MEDC is spending tax dollars wisely or wasting it. Earlier this month, pressure was put on the House Commerce Committee to put some

See "MEDC Transparency," Page 10



Anti-GOP Professor Going Back to the Classroom

BY TOM GANTERT

The Michigan State University professor whose anti-Republican classroom rant was captured on tape in September and forced his suspension — with pay — will be back teaching next semester, an MSU official said.

MSU's spring semester begins Jan. 6. Professor William Penn, who earned \$146,510 to teach creating writing classes, said Republicans are old

people with "dead skin cells washing off them" who raped the United States to get "everything out of it they possibly could." During the class in which Penn was videotaped by a student, he threatened any student who he said might be closet racists. Penn told the class, "I am a college professor. If I found out you are a closet racist, I am coming after you."

MSU issued a statement Sept. 5, a day after media reported on the anti-GOP rant, saying that Penn's teaching duties were reassigned to

See "Anti-GOP Prof," Page 12



Professor William Penn

Are you new to Michigan Capitol Confidential?

Friends,

First, Happy Holidays. I hope the season brings you happiness and joy and some stress-free days.

It has been a great year for Michigan Capitol Confidential. Consider:

- Exposed the waste of Michigan tax dollars that were given to Hollywood millionaires and billionaires for movies and TV shows filmed in the state.
- Michigan's right-to-work law officially went into effect and we chronicled stories of teachers and other union members exercising their right to leave the union - or trying to leave - despite union efforts to force them to keep paying money.
- The SEIU "dues skim" officially ended, freeing more than 40,000 home-based caregivers from a forced unionization scheme.

- Investigated regulatory and fiscal problems in Detroit and offered solutions for fixing decades-long problems.

We are following these stories into the New Year and pursuing others that the mainstream media ignore, but are important to taxpayers across the state.

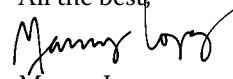
We are dedicated to ensuring that our elected officials are working in your best interest. And we are committed to exposing waste in government and abuses in local, state and national bureaucracies.

If you're not already getting our daily email that includes breaking news, analysis and commentary from our staff and the experts at the Mackinac Center for Public Policy, please send your email and other contact info to: lopez@mackinac.org.

Also, we are happy to provide our news to you every day and will continue to do so without charge. But it takes tremendous resources to run the news organization and any help you can give is appreciated. A donation of \$11.99 would help us continue telling the stories that are important to you in 2014.

And, as always, feel free to drop me a line with story ideas, questions, or comments.

All the best,



Manny Lopez

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ad liberties

Celebrating the Past, Looking Forward



BY JOSEPH G.
LEHMAN

*(Editor's note:
The following is
an edited version
of the text from
remarks delivered*

*at the Mackinac Center's 25th
anniversary gala held Oct. 7, in
East Lansing.)*

Twenty-five years ago the idea that the Mackinac Center might still be around today probably seemed about as far-fetched as predicting that the birthplace of the UAW, the cradle of organized labor and the stronghold of its national power would be a right-to-work state today.

We are here in part to celebrate that success, but not as a stopping point. It's only a milestone on the way to freedom across the board.

No one who pays the least attention can fail to conclude this country has problems bigger than a right-to-work law can solve. The biggest problem is that too many people want a government that's big enough to give them everything they want, from free tuition, to guaranteed income, to subsidized houses, to business bailouts and trendy movie subsidies.

And if there's any money left over, they'd like to have basic roads, schools, police, courts and an army, too.

The only problem is, a government that's big enough to give you everything you want is also big enough to take away everything you've got.

That can get discouraging, because it seems like Washington has been controlled by the "everything you want" and "everything you've got" crowd for a long time.

We can fix Washington, but not by beating our heads

against the castle walls along the Potomac. Reform doesn't start in Washington, it ends there. The reform we need now starts in the states, and that's a fact we often don't appreciate.

Ronald Reagan was fond of saying the states created the federal government, not the other way around. The Founders gave us a system whereby the states themselves were not only laboratories of democracy — proving grounds for new ideas — the states also have the power to check federal overreach.

That power has weakened and atrophied over the years from disuse and misuse.

But that power isn't gone and it can be strengthened. If Michigan can achieve freedom to work — if Washington state can expand school choice, which it just did; if California citizens can vote to fix broken city pension systems, which they just did; if Texas can become the jobs engine of the country by pursuing the opposite policies of Washington — then we start to see what's possible in the states.

I have to mention something the Mackinac Center has taken some heat for lately to help underscore this point. We like to say that whenever we have to choose between our friends in government and the taxpayers, we go with the taxpayers.

Well, some of our friends recently enacted the biggest expansion of state government I can recall by adopting the Medicaid expansion tied to the president's health law, and the \$3 billion in "free" federal cash that comes with it every year. The Mackinac Center ideas lost that one in the end.

But let me tell you what we won. We achieved something

that I don't think has happened in the lifetime of anyone here: It took about three months to lose that vote, but during that time the state had a full-throated conversation on whether or not to accept "free" federal money.

The state's taken the money before for other purposes, but it's never had a knock-down, drag-out [fight] for three months about whether it was a good idea for Michigan, or for the country.

Michigan's taking the money, and we're all going deeper into debt. But 21 other states had the same conversation and decided against taking the money. If we're going to turn the country around, we have to be working, studying, explaining and advocating why free enterprise is the best possible policy for everyone. Just like we did for two decades with right-to-work, when nobody thought we had a chance.

I'm very intentionally not criticizing our friends tonight. That's not how we've all won battles for freedom over the last quarter century. Your printed program summarizes 25 of the best victories for liberty, from more freedom to send your child to the safest and best school, to keeping more of what you earn,, to more open and transparent government and to more freedom from compulsory unionism.

We can advance freedom more by working together on the things we all want. To my friends in the tea party movement, I'd say to be careful not to throw out the proverbial baby with the bathwater. I'd say put any of the governor's and Legislature's disappointing actions in context with their overall record.

To my friends in the GOP establishment, I'd say you're

unlikely to achieve any kind of durable policy accomplishment if you fail to appreciate the necessity of a bona-fide, grass-roots social movement for limited government. It should be encouraged, nurtured, and refined.

Elections matter, and they always will. But they're the result of ideas, not the cause of them. That's why the Mackinac Center's primary focus is on ideas over the long term, not political parties or personalities or pecuniary interests.

Two weeks ago I challenged my fellow think tankers in words attributed to Winston Churchill: "Sometimes it's not enough to do your best. Sometimes you must do what's required."

If we want to save the country, I believe it's simply required that we look at the problem we're trying to solve, and not ask how much is enough to say we're doing our

best. Our problems can't always be measured by the yardstick of our own proven abilities.

And so now, more than 25 years after Joe Olson and Richard McLellan and others got the Mackinac Center going, I'm declaring that we're not settling for what some might say is our best effort for the next 25 years. We're trying for much more.

We're trying to establish, and re-establish, the greatest earthly principles a government was ever organized around. Starting in Michigan.

With God's blessing, and with your help, we'll do it. ■

Joseph G. Lehman is president of the Mackinac Center for Public Policy. The original version of this story was posted online on Oct. 9, 2013. It is available with hyperlinks and more info at www.mackinac.org/19211.

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Court Ruling Supports State Law That Prohibits Discrimination of Non-Union Contractors

'Fair and Open Competition in Governmental Construction Act' back in force

BY JACK SPENCER

The Michigan law that limits the use of Project Labor Agreements on government projects is constitutional, according to a U.S. 6th Circuit Court of Appeals ruling.

Project Labor Agreements (PLAs) mandate requirements that typically fit only union guidelines and practices. The requirements virtually eliminate non-union contractors from the bidding process for projects. Public Act 98 of 2011 prohibited PLAs from being used on government projects.

With the 2-1 court decision, the three-judge panel lifted an injunction that had prevented the state from enforcing the law. This change impacts all local government, school district, community college, and public university construction projects that use state, federal or private funds.

The pre-hire requirements mandated by PLAs favor unions at the expense of taxpayers and the majority of construction workers in the state.

According to the U.S. Bureau of Labor Statistics, 13.2 percent of construction workers nationwide belong to a union. A 2012 report from Unionstats.com (a project from researchers Barry Hirsh of Georgia State University and David Macpherson of Trinity University), found that 18.8 percent of Michigan construction workers are unionized.

Associated Builders and Contractors of Michigan President Chris Fisher said the Court of Appeals ruling is a victory for the people of Michigan.

"With this decision the court made it clear that no Michigan citizen can be denied the opportunity to work on a public construction project based on

whether or not they are affiliated with a union," Fisher said. "This means the people of Michigan will no longer have to pay for crony construction agreements that are taxpayer rip-offs."

Michigan's Fair and Open Competition in Governmental Construction Act (Public Act 98) was one of the changes Gov. Rick Snyder and Republican-controlled legislature made to undo some of the anti-competitive systemic advantages unions had acquired over previous decades.

The Michigan Building and Construction Trades Council challenged the law in court, arguing that the federal National Labor Relations Act (NLRA) pre-empted it. In early 2012, U.S. District Judge Victoria Roberts agreed and issued the injunction prohibiting the state from enforcing the law.

In response to the injunction, Michigan Attorney General Bill Schuette appealed the decision and the legislature took action. Senate Bill 1085 directed the issue more toward best use of taxpayer dollars and access to open bidding than had been the case with the original language of the act. The measure was signed into law by Gov. Snyder on June 26, 2012.

"It is not banning PLAs, and contractors who enter into PLAs can compete on equal footing with non-PLA contractors for public contracts," Appeals Court Judge John Rogers wrote in the panel's majority opinion. "Private entities, including contractors working on government projects, remain free to enter into PLAs. The law's effect is limited to forbidding governmental units from

entering into PLAs and then forcing the terms and conditions found within on bidders, contractors, and subcontractors. Such a limited action is similar to those found to be proprietary by the Supreme Court, this court, and other circuits."

A statement posted on the official website of Attorney General Schuette points out that 18 other states either have public contracting laws or executive orders in place that are similar to the Michigan law.

The website also includes the following quote from Schuette:

"The public contract bidding process should be open and fair for all of Michigan's builders and contractors. Encouraging robust competition and free enterprise will improve efficiency and save hard-earned taxpayer dollars."

Unions opposed to the law do not have many options left, said Patrick Wright, senior legal analyst with the Mackinac Center for Public Policy.

"They could ask the court to reconsider, but that probably wouldn't be realistic," Wright said. "If they continue to pursue the case, it seems likely that they'll either ask that the full U.S. 6th Circuit Court of Appeals take it up or they'll try to go on to the U.S. Supreme Court."

Patrick Devlin secretary treasurer of the Michigan Building and Construction Trades Council said he was withholding comment on the situation until "our attorneys have had a chance to fully review the decision." ■

The original version of this story was posted online on Sep. 12, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19128.

New Bill Would Shed Light On Asset Forfeiture In Michigan

BY JARRETT SKORUP

Imagine you own a restaurant. A patron visits with a marijuana joint tucked in his pocket. Suddenly, the police storm in, arrest the man for possession and inform you that they are taking your business, selling it, and pocketing the profits to help fight crime in the state.

An impossible violation of your rights? No.

While the above situation is extreme, similar situations have happened in Michigan and around the country. The practice is known as civil asset forfeiture.

In fact, the federal government took in more than \$4 billion in 2012 through the practice, according to the Institute for Justice, a libertarian public interest law firm that represents many people charged in forfeiture cases.

"Forfeiture allows law

enforcement to take property without even charging people, never mind convicting them of a crime," said Lee McGrath, legislative council at the Institute for Justice (IJ). "Worse, Michigan's current laws give police officers and prosecutors incentives because forfeiture proceeds go to supplement their budgets. And law enforcement gets to choose which crimes it pursues and cases it prosecutes."

Michigan got a "D-" for its forfeiture laws, according to an IJ study published in 2010. According to the study, "Policing For Profit: The Abuse of Civil Asset Forfeiture," government agencies seized \$149 million worth of assets from 2001-2008.

But a new bill seeks to change that in Michigan. House Bill 5081 would "give taxpayers the ability to see the full picture of what assets

See "Forfeiture" Page 8

SEIU Under Investigation Over Prop 4 'Dues Skim' took \$35 million from Medicaid recipients

BY JARRETT SKORUP

The Detroit News reported that the State Bureau of Elections began a formal investigation of the Service Employees International Union regarding its financing of a ballot proposal last year.

Proposal 4, which would have locked into the state constitution the skimming of millions of dollars each year from the caretakers of disabled people, was defeated by 14 percentage points.

Chad Livengood in The News reported:

The complaint focuses on a group called Citizens for Affordable Quality Home Care and

an East Lansing company called Home Care First Inc. Citizens for Affordable Quality Home Care sponsored the ballot proposal. In campaign finance reports, the group claimed almost all of its

donations came from Home Care First.

The Freedom Fund alleges Home Care First was set up in March 2012 to pour \$9.3 million into the ballot campaign

and initially hide the SEIU's involvement.

After months of putting money into a campaign committee, records show, Home Care First formed its own ballot committee a week before the Nov. 6 election

See "SEIU Under Investigation" Page 10

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Detroit Still Sending Tax Notices 15 Years After Company Closed

BY JARRETT SKORUP

Most business owners regret that time of year when taxes are due. But how would you feel if the government was still requesting money more than a decade after the company had closed?

That's what has been happening to a couple of former Detroit residents. Rose Bogaert and her husband operated a metal straightening company, Detroit Straightening Services Inc., for 28 years. They said high taxes and low services from Detroit eventually forced them to close.

The couple no longer owns the building. Rose said she thinks the city took it over and demolished it.

But Detroit still wants tax money.



The abandoned property at 8007 Joy Road before it was demolished.

Fifteen years after they left the city, Detroit still periodically sends out tax notices to Bogaert, who now lives in Dearborn Heights. She said they have received 10 or 12 tax bills since they left. The latest was sent Aug. 1, for \$181 on behalf of the fire department.

"We left Detroit and everything we owned in it," Bogaert said. "For years, they have been sending us bills on fire permits, taxes and anything else you can think of. It has been 15 years since we have been in that building and they still come."

The Bogaerts sold the lot they owned across the street and eventually abandoned their building (pictured nearby). The City of Detroit website has no record of taxes owed on the property.

On the latest bill, Bogaert wrote on the bill that she sent back to the city: "We do not own this building and have not been there in more than 15 years."

"This is another warning about trying to make a go of it in Detroit," said Michael LaFaive, director of the Morey Fiscal Policy Initiative at the Mackinac Center for Public Policy. "The marriage of high taxes, regulation and poor services creates every sort of mischief. It's instructive that the city has the resources to go after those who have long ago fled, but

not the resources to keep all its lights on today."

Michigan Capitol Confidential reached out to the treasury division of the finance department for the city, which is the number listed on the tax bill, but the phone rang without anyone answering. A call to Cheryl Johnson, finance director, eventually reached a mailbox that was full.

Bogaert said she and her husband wanted to stay in the city, but high taxes, lackluster services and numerous break-ins eventually forced them out in 1998. Detroit has the highest income tax in the state and among the highest property and business taxes in the nation. It also charges a litany of fees to businesses. Over the years, three people were

See "Detroit Taxes" Page 12

U.S. Supreme Court Agrees To Look At Forced Unionization

BY JACK SPENCER

The United States Supreme Court will hear a case involving the forced unionization of "personal care providers" in Illinois that the Mackinac Center Legal Foundation and two other groups asked the Court to hear.

If the high court rules against the Illinois forced unionization, the decision could outlaw such schemes nationwide. In Michigan, the Service Employees International Union took more than \$34 million from tens of thousands of home-based

caregivers who were forced into the union. That scheme officially ended this year.

In the class action lawsuit headed to the Supreme Court, Pamela Harris and seven other Illinois personal care providers are challenging a forced unionism put in place by two Illinois governors, former Gov. Rod Blagojevich and current Gov. Pat Quinn. Harris and other personal care providers claim the forced unionization violates their rights to free expression and association by forcing them to subsidize union lobbying.

Attorneys with the National Right to Work Legal Defense Foundation are representing Harris and the other providers. The Mackinac Center Legal Foundation, along with The Cato Institute and the National Federation of Independent Business

filed an amicus brief in the case on Jan. 4, 2012.

"We were in the middle of a similar legal battle here in Michigan at the time and we knew that the same problem was occurring in other states," said Patrick J. Wright, director of the Mackinac Center Legal Foundation, in a press release. "It needs to be settled on a national level and the Supreme Court needs to make it clear that forcing people into a public-sector union against their will simply because a portion of their income is derived from public dollars is unconstitutional."

The Illinois lawsuit was filed after Gov. Quinn issued an executive order in 2009 designating 4,500 people, who had previously not been a legal target for unionization, as "public employees." With the status as public employees, the providers will be vulnerable to repeated attempts to be unionized.

See "Forced Unionization," Page 12

COURT ORDERS CITY TO COMPLY WITH FOIA

Westland ruled to have 'subverted' the law

BY JACK SPENCER

The city of Westland "subverted" Michigan's Freedom of Information Act and must comply with the law, according to a recent judge's ruling.

"They [Westland officials] were over charging," said William Maze, the Livonia attorney who sued the city. "Clearly they were doing it to make a profit."

Maze said the case involved a request for information from the police department. He said he thought Westland might have set its rates high to discourage the public from filing FOIA requests.

"They were charging \$75 per video (and) \$35 for audio," he said of Westland's FOIA charges. "[For documents] they were charging \$5 for the first and second page and \$1 per page thereafter. Or you could pay a flat \$45.61 per hour

rate. There was no basis for what they were charging."

The document fees and hourly rate are nearly identical to fees quoted to Michigan Capitol



Watch a video about the lawsuit at MichCapCon.com/19232.

Confidential for a FOIA request it made earlier this year. The Mackinac Center for Public Policy filed a lawsuit against Westland claiming those fees violated the state's FOIA law. That case is still pending.

Maze took the city of Westland to court over its FOIA fees and

See "City Sued," Page 15



COMMENTARY

Parent: 'Even after my kids graduate I'll still come back and help this school'

Charter school company proving critics wrong

BY MANNY LOPEZ

HIGHLAND PARK — No parent chooses to send their child to a school where mice scamper through classrooms, where garbage fills the hallways and the school pool and bathroom tissue is rationed off and handed out only from the main office.

Yet for years that's what students in the former Highland Park School District were forced to endure on a daily basis. Parents and teachers complained, but nothing happened. It wasn't for lack of money. The public school district was spending nearly \$20,000 per student — the highest in the state.

Things got so bad that the state appointed an emergency manager and eventually the school district was turned over to The Leona Group, a charter management company. The teachers unions complained. So did some parents and community activists, whose reaction was to protest because the status quo was being disrupted.

Gloria Liveoak was one of those people who complained. She actively lobbied against the Leona Group, and like many former Detroit Public Schools employees, thought charter schools were bad for students and the community at large.

Not anymore. Now she's not only working in one, she's promoting it as a good choice for parents. She's now a full-time parent liaison at the Highland Park Renaissance Academy and based on the cheers she got when a video of her was played at a press conference Tuesday, she's a favorite among teachers and parents.

You don't need to spend much time in the hallways or classrooms of the Renaissance Academy to see that the dedication and commitment to education is real and unencumbered by bureaucracy, administrative obstacles or obstructionists.



Whether it's Ruffin Green, the school's security guard, greeting you with a handshake as you walk into the building, or Superintendent Pamela Williams talking to students in the halls or Principal Carmen Willingham talking about renovations to the third floor of the building, it's clear there is a plan, a mission and a spirit to get things done.

"This school shows you what can become of some of our most troubled schools," said Audrey Spalding, director of education policy at the Mackinac Center for Public Policy, who has chronicled the transformation of the district for the past year.

To get a better sense of how bad it was and what \$1 million in cleanup looks like, listen to the teachers, some of whom took significant pay cuts to stay, and to the parents who appreciate the efforts of those educators.

"Even after my kids graduate I'll still come back and help this school," said Davonda Huff, a parent-volunteer whose second-grade daughter and fifth-grade son both now have 4.0 GPAs. "I love this place and The Leona Group."

Things aren't perfect, and there still is a long way to go. But students and parents have hope for the future thanks to the choice they were given by a company that was willing to step in and improve a situation that had deteriorated for far too long. ■

The original version of this story was posted online on Nov. 20, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19383.

Effort In Lansing To Override Voters' Rebuke of Higher-Cost Energy Mandate

BY JACK SPENCER

The federal government says virtually all of Michigan, except for the shores of the Great Lakes, is "poor" or "marginal" for wind energy. But that's not stopping a variety of groups and some legislators from pushing to increase the state's renewable energy mandate.

In response, a protest occurred at the Kellogg Center in East Lansing during the American Wind Energy Association Wind Forum.

At issue is an ongoing effort by the wind energy industry to increase Michigan's current 10 percent government imposed renewable energy mandate. In Michigan, renewable energy has become a euphemism for wind power.

Last November, Michigan voters rejected Proposal 3 by a 64 percent to 36 percent margin. It would have constitutionally increased Michigan's renewable energy mandate to 25 percent by 2025. Yet, in spite of the voters' rejection of the idea just a year ago, wind power proponents continue to pursue higher mandates.

In fact, the mandate percentages now being discussed are higher than the 25 percent of Proposal 3. Mandates of 30 percent and higher are being promoted.

"The names on the speakers list for the AWEA event are the who's-who of wind profiteers and opportunists in the state of



Michigan," said Kevon Martis, director of the Interstate Informed Citizens Coalition, which organized the protest. "These are the same people who pushed for the failed Proposal 3 ballot measure last year. Our message to them is that 'no means no.'"

In 2008, the state Legislature passed an energy bill that became Public Act 295. The law mandated that 10 percent of Michigan's energy be generated by alternative sources by 2015. That mandate was sold to lawmakers and the public as a means of cutting greenhouse gas emissions, in part, by replacing so-called "dirty" coal burning plants with "clean" wind power.

A federal judge has written that the Michigan law is likely an unconstitutional violation of interstate commerce, since it discriminates against out-of-state companies.

See "Energy Mandate," Page 10

Capitol Protesters Fined \$500 Each For Trying To Storm Senate Chamber



The arrested protesters in court.

BY JACK SPENCER

Seven people with ties to the SEIU Healthcare Michigan, the union affiliate involved with the home health care dues skim, each were fined \$500 at hearings in Ingham County's 54A District Court for their part in a protest in Lansing over the state's right-to-work law.

As part of a plea agreement, the SEIU Healthcare Michigan staff members were allowed to plead guilty to reduced misdemeanor charges of "disorderly jostling" instead of the charges of "attempted resisting and obstructing police" to which they pled guilty earlier this year.

The charges stemmed from their actions on Dec. 6, 2012, at the State Capitol when they attempted to charge onto the Senate floor to disrupt discussions about giving workers the

freedom to choose whether they want to pay dues or fees to a union as a condition of employment. An eighth protester, Ida Sinclair-Williams, charged over the incident has not been tied to SEIU Healthcare Michigan.

One of the protesters arrested on Dec. 6, 2012, and fined recently was Joshua Kersting, the son of SEIU Healthcare Michigan President Marge Faville. The other six SEIU Healthcare Michigan staffers arrested and fined were: Chreda Troutman, Eric Noyes, Stephen Cousins, Brett Matthews, Scott Holiday, and Benjamin Wilkins.

SEIU Healthcare Michigan took more than \$34 million from home-based caregivers in Michigan as the result of a forced unionization between 2006 and early 2013. The scheme

See "Protesters Fined," Page 11

Prohibition Era Rules Prevent Michigan Bars From Having Glasses or Napkins With Logos

BY TOM GANTERT

Every year, Ashley's restaurant in Westland holds a Belgian Beer Festival that highlights more than 60 different Belgian drafts.

Ashley's owner Jeff More says that due to state laws and regulations that date back to the Prohibition Era, he pays twice for glasses with Belgian logos on them and can only use the glasses for the 11 days of the festival.

More said the kegs are shipped with the special glasses to beer distributors in Michigan and the price includes the cost of the glasses. But because of an archaic state law, Ashley's also has to pay the distributor for the glasses. That's because the state's "aid and assistance" law prevents any vendor from providing anything of value for free to any wholesaler, manufacturer, grocery bar or tavern.

On the final day of the festival, all the glasses with logos have to be removed from the bar, which More said requires a truck.

"I paid for it," More said. "Shouldn't I get to use it?"

The restrictions are part of the convoluted laws and regulations that are being debated in Lansing and involve the distribution of alcohol in Michigan.

A bill from Sen. Joe Hune, R-Hamburg, would add to the state's alcohol laws. He introduced

Senate Bill 505, which would prevent manufacturers and wholesalers from giving vendors any item that has advertising on it for the use of anything but advertising. For example, a manufacturer couldn't provide a bar with a beer mug with a Bud Light logo on it or a napkin with the Jack Daniels logo.

In fact, the Michigan Liquor Control Commission has a rule that doesn't allow bars to have beer glasses or napkins with logos on their premises. If SB 505 passed, the bill would make law of the liquor commission's current rule.

Michigan didn't even allow bars to put up illuminated advertising signs until Attorney General Mike Cox issued an opinion in 2004 that said the ban was unconstitutional and an infringement of the First Amendment.

Andy Deloney, chairman of the Michigan Liquor Control Commission, said the liquor commission is going to look at the commission's bar logo rule, which some think may have spurred the legislation.

But he said even if the MLCC allowed barware with logos, the state's "aid and assistance" law still would apply and not allow establishments to receive free barware with logos on them. The restaurants and taverns would have to buy those items.

According to The National Alcohol Beverage Control Association's 2012 survey, Michigan and Kentucky are the only states that prohibit any "retail merchandising specialties." But several states have varying stipulations about what is allowed. For example, in Ohio, barware advertising is allowed but items can't be valued at more than \$25 each. In Illinois, advertising on barware is allowed but the restaurant or bar much purchase it.

More said Ashley's was able to get the glassware with logos for its festival because the state made a rare exception. He said he disagrees with the state's restrictions.

"There isn't a rational reason (for the restrictions) except to inhibit business growth in the state," More said. "If you are a beer distributor and you don't want to give away free beer ware, then don't do it."

Troy Tuggle, spokesman for Sen. Hune, didn't respond to a request for comment.

Mike Lashbrook, president of the Michigan Beer & Wine Wholesalers Association, didn't respond to an email seeking comment. ■

The original version of this story was posted online on Nov. 4, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19320.

Legislators Vote To Continue Special Subsidy Program Without Knowing Whether It Works

BY TOM GANTERT

The state senate overwhelmingly passed a bill extending the life of an \$844.5 million economic development program despite the legislators not knowing how well the program was performing because of a lack of transparency.

Senate Bill 269 would extend funding for the 21st Century Jobs Fund an additional four years; it was supposed to sunset in 2015. It passed the senate by a 33-4 vote Oct. 31. The bill now goes to the House of Representatives. The 21st Century Jobs Fund was created using money from a tobacco company lawsuit settlement.

"It's not possible to get a clear picture of how well the 21st Century Jobs Fund is performing because the state doesn't report on the results on many of their projects," said James Hohman, a fiscal policy analyst for the Mackinac Center for Public Policy.

The Michigan Economic Development Corp.'s 2012 report stated the 21st Century Jobs Fund's Competitive Edge Technology Grants program gave out \$137 million in grants and loans and created 999.19 full-time jobs.

But the information about the 21st Century Job Fund's performance is not clear.

For example, that 2012 MEDC report states that the company IA Inc./Three Fold Sensors reported negative 3.84 jobs.

Hohman questioned how a company could generate negative 3.84 jobs and wondered whether legislators know what taxpayers are receiving for their money that is invested in this program.

Sen. Rick Jones, R-Grand Ledge, said he supports more transparency on how 21st Century Jobs Fund money is spent. He voted "yes" on the bill to provide more money to the fund.

"I think the feeling that if we don't have some sort of mechanism in place to attract jobs in Michigan, then Indiana and Ohio and surrounding states will eat our lunch," Sen. Jones said.

But Hohman said these incentive programs are better at producing press releases than actual jobs.

The 21st Century Jobs Fund has been roundly criticized for inaccurate reporting, repeated failings of past companies subsidized, and the idea that bureaucrats are better at spending money through centralized planning than the private market.

The bill's future in the House is uncertain.

"Our caucus is reviewing the reporting requirements and transparency for the 21st Jobs Fund and looking at some things that could improve upon the Senate bills, the majority of which were approved by the Senate prior to the latest audit on the program," said Ari Adler, director of communications for House Speaker Jase Bolger, R-Marshall. "As we have more information now than the Senate did when it voted, it wouldn't surprise me to see some amendments that could address shortfalls in the operation of that program." ■

The original version of this story was posted online on Nov. 7, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19328.

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LAWSUIT FILED

from Page One

She called the Uniserv director and was told she was out. But she found it wasn't quite so simple.

During the second week of school, the president of the union at Chanski's school went to her classroom before school and said she had gotten word that Chanski wished to opt out of the union. She asked if Chanski had sent in a separate letter to the MEA. Chanski said she was not aware of a separate letter she was supposed to send. The president told her that she had missed the August window

to leave the union.

"I had no clue about the window," she said.

Patrick Wright, director of the Mackinac Center Legal Foundation, said the August window is "a time period the union has kept hidden from its members."

"[T]he union says if you don't resign during this period we presume you meant to stay with us and therefore we were counting on you and should get your money for an entire year," Wright said.

Chanski said the MEA told her that if she didn't pay her union dues, it would send a collections

agency after her and it would affect her credit rating.

"I am a 24-year-old woman," Chanski said. "Who knows what I'll be doing some day. [Maybe] buying a house someday. My credit is very personal to me and it's something I take pride in."

Wright said that "no one should be able to trash your credit because of your personal beliefs."

"Freedom is not a one-month-a-year concept," he said.

When Chanski asked for her e-dues form back, the union could only produce a copy. On the copy is the shadow of the phrase,

"doesn't want to belong to the union" whited out.

Chanski contacted the Mackinac Center Legal Foundation to file suit against the MEA on her behalf.

"I definitely think there was information withheld from us and I think withheld for the reason of keeping members," she said. "Keeping members against their will in ... circumstances like my own."

MEA President Steve Cook sent a letter to local union presidents in January of this year in which he said the union will use "any legal means at our disposal" to combat

those wanting to leave.

"Members who indicate they wish to resign membership in March, or whenever, will be told they can only do so in August," he wrote, adding that the union will pursue legal action against members who don't pay their fees.

For a list of those filing suit along with Miriam Chanski, see page 9. ■

The original version of this story was posted online on Oct. 21, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19278.

FORFEITURE

from Page Four

are seized, whether the person was ever convicted of a crime, the value of the assets, and other details pertaining to the process."

It was introduced on October 16 by Reps. Tom McMillin, R-Rochester Hills; Rose Mary Robinson, D-Redford Township; Doug Geiss, D-Taylor; Harvey Santana, D-Detroit; Jeff Irwin, D-Ann Arbor; Martin Howrylak, R-Troy; Joel Johnson, R-Clare; Mike Callton, R-Nashville; and Frank Foster, R-Petoskey.

Rep. Geiss said the bill, "sheds sunlight on what type of materials or dollars are being forfeited and what is being done with those."

"The goal should be that we have zero forfeitures," Rep. Geiss said. "But the reality is that a lot of departments base their budgets on recurring forfeiture dollars. There have been allegations in the state of Michigan that monies have not been used properly and inventory

has not been maintained. I think the bill puts a structure in place that everyone has to follow, with a central repository. It is my hope that this will make sure funds are not diverted and confiscated property is tracked."

There have been many prominent cases of forfeiture in Michigan:

In January, the Dehko bank account of the family grocery store in Fraser was seized by federal agents. Federal law requires banks to report transactions above \$10,000 and the government says store owner Terry Dehko was avoiding this by making slightly smaller deposits to the bank. But Dehko says he has an insurance policy that will not cover him for loss or theft over \$10,000, thus, he often makes deposits in the \$9,000 range. The family has not been charged with a crime, but the government has seized \$35,000.

In 1997, 100 federal agents stormed the home and businesses of 70-year-old Joseph Puertas

in Clarkston, alleging a major cocaine operation. Police never found any drugs, but found a lot of cash and used that to charge him with several crimes, most of which were thrown out in court. The government seized the family's \$3.2 million bowling alley and over \$2 million in other assets, some of which was owned by other family members not charged with a crime. Puertas eventually was convicted based on the controversial testimony of a drug addict who claimed he bought cocaine at the bowling alley, though undercover officers and surveillance from police never documented a sale. His sentence was later commuted by Gov. Jennifer Granholm.

Ann Arbor artist, Judy Enright, added feathers she found on the ground to a painting and had her work seized by U.S. Fish and Wildlife officials in 1993. She was not charged with a crime.

Detroit police raided Joseph Haji's market for a drug arrest in

1988. There were no drugs, but a dog reacted to three \$1 bills in the cash register and that was enough for officials to seize all of the store's money, totaling \$4,384. Haji was never charged with a crime.

Federal agents suspected James Fouch and his two sons of engaging in a loan fraud scheme in 1992. They raided their Grand Rapids home, eventually auctioning off the property and seizing \$500,000 in cash and sales revenue. No criminal charges were ever filed against the family.

One Michigan case, *Bennis v. Michigan*, went all the way to the Supreme Court. John and Tina Bennis jointly owned an automobile that the husband used in a criminal act with a prostitute. Despite not being involved in the crime (for which John was convicted and fined \$250), the vehicle was seized and sold by police.

"Law enforcement agencies across Michigan seized nearly \$85 million in property from residents over the last three years," McGrath said. "Nearly \$70 million of those funds went to supplement the budgets of prosecutors and police agencies ... Michigan's current reporting system is lacking."

The American Legislative Exchange Council has suggested model legislation on asset forfeiture bills that would greatly

enhance transparency. Cara Sullivan, director of the Justice Performance Project with the group, said she thinks property seizures are a problem across the nation.

"Oversight is needed to ensure forfeiture is not used to seize the private property of innocent Americans," Sullivan said. "Policies that require agencies to report the circumstances under which property is seized increase government transparency and accountability."

The IJ's McGrath said "forfeiture proceeds are no different from taxes."

"[The bill] will improve the information state legislators receive about law enforcement's priorities; what crimes the seizures are associated with; whether Michiganders are being convicted before they lose their property; and related information," he said. "I am thrilled that the bill has such bipartisan support."

Kenneth Grabowski, legislative director of the Police Officers Association of Michigan, said the group, "supports the concept, but has not had the opportunity to review the bill in detail." ■

The original version of this story was posted online on Oct. 19, 2013. It is available with hyperlinks, a video of the event and more info at www.MichCapCon.com/19274.

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Union Threatens Hall of Fame Coach With Legal Action For Not Paying Dues

BY TOM GANTERT

In 34 years of teaching and paying dues to the union, William “Ray” Arthur said he had never heard of the “August window,” which the Michigan Education Association says is the only time teachers are allowed to leave the union.

After sending a letter to the Petoskey Education Association resigning his membership, the union said he was a month late. Arthur said the union told him if he didn’t pay the dues it could affect his credit and that the union may pursue legal action.

He believes the one month window is problematic for a variety of reasons.

“What is really irritating is that they don’t tell you about it,” Arthur said.

In the multiple decades that Arthur has belonged to the union he has paid tens of thousands of dollars in dues.

He is now a gym teacher in the district and has been recognized locally and nationally for his work as a wrestling coach. In February 2012, Arthur was inducted into the Petoskey High School Hall of Fame. It was the fifth time Arthur had

been enshrined in a local, state or national hall of fame. He finished his wrestling coaching career 10th in the country for all-time victories.

But just over a year later, he said the union told him it would treat him like “any other person who doesn’t pay their bills.”

“I was pretty shocked by that,” Arthur said. “I’m no deadbeat.”



William “Ray” Arthur

Arthur plans to retire at the end of the school year, but decided he no longer needed the union’s services. He sent a letter Sept. 16 to the union president saying he wanted to opt out of the union as part of the state’s right-to-work law.

In response to being told he was not allowed to leave the union, Arthur filed a complaint with the Michigan Employment Relations

Commission against the Petoskey Education Association and the Michigan Education Association. He is being represented in the unfair labor practices complaint by the Mackinac Center Legal Foundation.

“What I really expected was a handshake for 34 years of union dues and saying that they were sorry that I was leaving the union and that if I changed my mind this is how I could get back in,” he

See “Coach” Page 12

Teachers across Michigan have chosen to protest their union’s treatment of them and have filed formal complaints with the state against their unions and the MEA.

- **Miriam Chanski**, a kindergarten teacher in Coopersville who is a member of the Coopersville Education Association;
- **William “Ray” Arthur**, a high school teacher in Petoskey who is a member of the Petoskey Education Association;
- **Matthew Knapp**, an art teacher at Ruben Daniels Middle School and member of the Saginaw Education Association;
- **Kurt Alliton**, a technology teacher at the Thompson Middle School and member of the Saginaw Education Association;
- **Susan Romska**, a geometry teacher at Arthur Hill High School and member of the Saginaw Education Association;
- **Jason LaPorte**, a social studies teacher at Arthur Hill High School and member of the Saginaw Education Association;
- **Kathy Eady-Miskiewicz**, an English teacher at Arthur Hill High School and a member of the Saginaw Education Association.

get some people, but in the long run they will lose membership based on how they’re handling things.” ■

The original version of this story was posted online on Oct. 29, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19303.



Teacher Got Plenty of Info About Paying Union Dues, Nothing About Opting Out of the MEA

BY TOM GANTERT

When the right-to-work legislation passed in December, Saginaw Arthur Hill High School teacher Jason LaPorte said he received numerous emails explaining how to pay his union dues electronically.

But the social studies teacher said he didn’t get anything about how to leave the union when it became possible.

“I do feel taken advantage of,” LaPorte said. “I think once right-to-work legislation passed, the union should have been more informative with the procedures of all union functions going forward that were affected by right-to-work.”

The Michigan Education Association only allows its members to leave in August, but

LaPorte and other teachers said they were not informed of that policy. He said union officials defended their actions when asked why members were not informed.

LaPorte kept an email from a union official that read: “I do not know of any membership organizations that tell people how to resign their membership.”

Saginaw Education Association President Leann Bauer and Michigan Education Association UniServ Director for Saginaw Sue Rutherford didn’t respond to requests for comment.

LaPorte is one of seven teachers who filed unfair labor complaints with the Michigan Employment Relations Commission against their local unions and the MEA. The Mackinac Center Legal Foundation is representing the teachers.

LaPorte said some teachers received a phone call, email or personal letter asking why they were opting out.

“No one should feel guilty into explaining why they are exercising any right they have,” he said. “Not one single person owes anybody an explanation. Everyone’s situation is different whether



Jason LaPorte

it’s financial, personal beliefs, or whatever. ... It’s not a matter of being in favor or opposing unions or making a political statement. It’s a matter of principle and doing what’s right.

“I’m not here to make an anti-union statement because that’s not the case,” he said.

The MEA’s strategy of keeping teachers in the dark about the August opt out window will have repercussions because a lot of members have a bad taste in their mouth over it, he said.

“I’ve had teachers contact me who have been teaching for 25 years and knew nothing of the window and they were asking me questions,” LaPorte said. “Some teachers told me that they will bite the bullet this year and pay, then opt out next year. I think some people who haven’t paid yet are playing the waiting game to see how this plays itself out. ... If things continue to be handled the way they are, they will lose membership. And right now, by hook or by crook, they’re going to

ENERGY MANDATE

from Page Six

But the law did not require that emission levels be monitored to measure whether the mandate was working. No cost/benefit analysis was required by the state's renewable energy mandate. Instead, it was assumed, apparently on faith, that wind power would be an effective method of decreasing emissions.

Because wind energy's output is dependent on unpredictable changes in the weather, activists who oppose a renewable energy mandate maintain that it is not a standalone replacement for fossil fuel-fired generating plants. Instead they see wind power as — at best — a fuel saving accessory for fossil generation, primarily gas. They point out that, in Michigan, wind energy contracts average \$80 per Mwh (megawatt hour) and can only save \$25 to \$35 per Mwh of fossil fuel.

Those skeptical of the value of wind power in Michigan argue that a steady switch to natural gas would result in lower emissions than occur with wind power and do so at a much reduced cost to consumers.

"Energy policy is a matter of life and death," Martis said. "It must not be the playground for the latest theories of armchair environmentalists. The \$2.5 billion squandered on wind energy to date could have actually cut coal emission in half by now had it been spent on gas turbine generation rather than wind (and it would have) delivered cheaper electricity than wind."

Additionally, Martis said that Michigan ratepayers would see lower costs if they could purchase wind energy produced in states where wind is more reliable than it is in Michigan.

"Michigan is locked into 20-year wind power purchase agreements at \$80 per Mwh," Martis said. "That same wind energy is available for \$30 per Mwh from Iowa. Why should Michigan ratepayers pay 2.5 times what that energy is worth?"

Wind power advocates maintain that higher mandates are worthwhile. "American wind power is a

proven, reliable source of electricity that provides benefits for ratepayers and job-seekers in Michigan and across the country," said Lindsay North of the AWEA. "That's probably why polls show over 70 percent of Americans support growing more wind power (according to Gallup) and nearly three-fourths of Michigan voters want to see the state's use of renewable energy expanded."

North said wind power brings economic benefits to Michigan.

"Over \$1.9 billion has been invested in Michigan by wind power," North said. "Michigan landowners receive \$2.8 million in lease payments annually. Because of private development of wind in the Great Lakes State, Michigan now ranks 10th in the country in total wind energy related jobs and there are now 40 manufacturing facilities in the state, helping to support more than 3,000 jobs. With the right policies in place, Michigan can add more jobs and more private investment in the years ahead.

"In terms of savings for ratepayers, due to declining costs of wind and other renewables, Detroit-based DTE has decided to slash its renewable energy surcharge, an action that will reduce customer bills by \$90 billion," North continued. "And a new report by Synapse Energy Economics indicates doubling the use of wind energy in the Mid-Atlantic and Great Lakes states would save consumers nearly \$7 billion per year."

When the mandate was originally signed in 2008, Gov. Jennifer Granholm promised 17,000 jobs. According to the Bureau of Labor Statistics, there were 4,256 jobs in the category that includes solar and wind jobs in 2008. By 2011, that had dropped to 3,728.

Martis and some analysts question why the state needs to mandate select energy sources if they are such good deals for businesses and consumers. ■

The original version of this story was posted online on Oct. 31, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19310.

SEIU UNDER INVESTIGATION

from Page Four

and reported all of its money came from SEIU.

Michigan Capitol Confidential's Jack Spencer filed 70 stories documenting the dues skim from the beginning, including articles on the groups the SEIU set up to continue the money flow.

When the scheme finally

ended, Spencer summarized what happened: "In an effort to increase dues paying members, the SEIU targeted the Medicaid checks of Michigan's home-based caregivers. A forced unionization, in 2005, was used to force the caregivers into the SEIU. Key elements of the scheme included a dummy employer, a stealth by-mail election, and avoiding any media attention."

This started with the help of officials employed in the

administration of former Gov. Jennifer Granholm, and continued with the help of Sen. Roger Kahn, R-Saginaw. Over the lifetime of the scheme, the SEIU took nearly \$35 million from people taking care of the sick and elderly in Michigan.

The original version of this story was posted online on Sept. 19, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19159.

MEDC TRANSPARENCY

from Page One

real teeth into legislation (House Bill 4480) that is supposed to make the MEDC more transparent.

In fact, House Democratic Leader Tim Greimel, D-Auburn Hills, told Michigan Capitol Confidential that House Democrats want more than transparency; they want provisions to recover the money the MEDC spends on poorly performing programs.

"We have to be able to know whether or not these programs, which are corporate welfare, have performed effectively," Rep. Greimel said. "If it turns out that they haven't, we need meaningful clawback provisions to get the money back that has been spent."

When it was introduced in March, House Bill 4480 was touted as a bill that would bring transparency to the MEDC. Initially, however, the bill appeared to represent no more than a pretense of transparency promoted by MEDC officials. There were indications in the spring that House Bill 4480 would be strengthened. Instead, the bill has been in the House Commerce Committee eight months and undergone no significant changes.

James Hohman, assistant director of fiscal policy at the Mackinac Center, said the current version of House Bill 4480 does

nothing to increase MEDC transparency.

"Right now all the bill does is tell the Legislature how the MEDC wants to be graded," Hohman said.

House Bill 4480 is part of a multi-bill package that would amend the Michigan Strategic Fund Act. The Michigan Strategic Fund is an entity with broad authority to engage in promoting economic development and job creation and retention. These programs and activities are generally administered by the MEDC.

During the week just before the Legislature's departure for deer hunting, a hearing that had been scheduled to take up the MEDC legislation was canceled. According to well-placed sources, there currently aren't enough "yes" votes on the committee to move the bill package.

"House Bill 4480, as it currently stands, doesn't provide any increased transparency regarding performance of programs under the Strategic Fund," said Rep. Jon Switalski, D-Warren, the ranking Democrat on the House Commerce Committee. "To me, the Republicans have a choice. If they keep the bill as it is, they're not interested in transparency. They need to make significant changes to the bill.

"They need to increase the amount of transparency regarding

performance to hold the MEDC accountable for the taxpayer dollars it spends," Rep. Switalski continued. "Any money that is not being used efficiently should be paid back."

House Commerce Committee Chair Rep. Frank Foster, R-Pellston, said he's committed to a bill package that includes strong transparency provisions.

"We want to make transparency the centerpiece of this legislation," Rep. Foster said. "We're willing to talk with as many people as necessary to get this accomplished."

Rep. Foster acknowledged that House Bill 4480 probably wouldn't be ready until after the New Year.

Rep. Tom Leonard, R-Lansing, the sponsor of House Bill 4480, said he wants the bill to be redrafted.

"This remains a work in progress," Rep. Leonard said. "We're diligently working to try to add as much teeth to it as possible. My intent is that the next time we meet, whenever that may be, we'll be able to bring in a new substitute that provides real transparency."

In his first year in office, Rep. Leonard has bucked the majority on several votes where he opposed expanding various corporate and developer subsidy schemes. ■

The original version of this story was posted online on Nov. 21, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19387.



Disrespect, Bullying Convinces Paraeducator That Union Not Interested in its Members

BY TOM GANTERT

The anger rises in Amy Breza's voice as the Clarkston Community School paraeducator recounts what led her to become an unlikely player in the legal fight against the Michigan Education Association over the state's right-to-work law.

In September, Breza said she was in her classroom with an 11-year-old, non-verbal special needs student when her union president, Jackie Ellsworth, came into her class to demand she pay her \$388 in annual dues.

Breza, who makes \$11.83 an hour at Sashabaw Middle School, said she was so angry with what transpired she went to her desk and wrote down exactly what Ellsworth said to her in front of the student.

"I am only trying to help keep your job and not get you

in trouble with the MEA," Breza quoted Ellsworth as saying.

Like many union members, Breza didn't know the MEA mandates that all teachers can only leave in August. She said it was unclear to her as to how to opt out of the union.



To watch Amy's story, go to MichCapCon.com/19346.

Breza said she told Ellsworth she was with a child and didn't want to talk in her classroom and would deal with it later. She said Ellsworth continued talking to her and gave her the paperwork Breza needed to complete to pay her dues.

"It did not matter," Breza said of Ellsworth's reaction. "She didn't take into account there was a child who couldn't communicate. It was all about the \$388 bucks. She couldn't even say, 'Hey, when you are done, can you take a minute?'"

Ellsworth didn't immediately return a request for comment.

Breza said the school's administrators would never have entered her classroom unannounced.

"They have too much respect for me than to interrupt my classroom like that," she said.

That experience changed Breza's views on the union.

"I [had] thought, 'I will just shut up and pay the \$388.51,'" she said.

"[But] this has set a fire under me like you would not believe."

Breza filed a complaint with the Michigan Employment Relations Commission against the Clarkston Paraeducators Association and the MEA saying she wasn't informed about the August window. She is one of a number of teachers from around the state that the Mackinac Center Legal Foundation is representing in cases against their local unions and the MEA.

Mackinac Center Legal Foundation Director Patrick Wright said Breza should be eligible for right-to-work because her union's contract was reopened to alter health care provisions after right-to-work became law. By reopening the contract, Wright said the right-to-work law should be triggered.

Breza said her father is a retired GM union member. Her brother and sister-in-law are GM

workers. She says both have been supportive of her decision to opt out. Her father offered to pay her dues, but Breza said the run in her classroom ended any chance of that.

"She tried to strong arm me," Breza said of her interaction with Ellsworth. "She didn't have the respect to call me in. I don't know who they think they are."

In another instance, Breza said a co-worker called the MEA and said she couldn't afford the union dues. Breza said the co-worker said she was told by the MEA: "Ma'am, this is a business."

"Well," Breza said, "If this is a business, I don't want to buy what they are offering."

The MEA didn't respond to a request for comment. ■

The original version of this story was posted online on Nov. 13, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19346.



Teacher Who Never Wanted Union Representation Still Forced To Be A Member

BY TOM GANTERT

When Matt Knapp was hired as a teacher in the Saginaw Public School district 11 years ago, he said he was given paperwork to sign to be a union member.

"Oh, no," Knapp said he told the district employee. "I'd rather not be in the union."

To his surprise, he was told it was a condition of employment.

That changed last year when Michigan became a right-to-work state, which allows union members the freedom to choose whether they want to pay dues or fees to

the union. When that happened, Knapp said he approached his union about how to opt out.

He said he was told he missed the August window to leave, the only time the Michigan Education Association allows members to opt out. Knapp said he did not know that was the only time of the year he could leave.

Knapp filed an unfair labor complaint along with six other teachers

with the Michigan Employment Relations Commission against their local unions and the MEA.

The Mackinac Center Legal Foundation is representing the teachers.

Knapp, 46, is an art teacher at Ruben Daniels Middle School in Saginaw.

"This has nothing to do with my school or the Saginaw district," Knapp said. "I've



Matt Knapp

not been a large supporter of the union to begin with, and when the right-to-work action passed, I was excited about it. I was not notified about a deadline. I'm trying to leave the union gracefully if they will let me. I think that the union's responsibility is to fight for the right of the worker, and my right is to not be part of the union. ... That is one right they won't protect, apparently."

Saginaw Education Association President Leann Bauer and Michigan Education Association UniServ Director for Saginaw Sue Rutherford didn't respond to requests for comment. ■

The original version of this story was posted online on Nov. 1, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19317.

PROTESTERS FINED

from Page Six

was orchestrated when Jennifer Granholm was governor.

At the time of the Capitol protests over the then-pending right-to-work bill, the forced unionization, also called the "home health care dues skim," was on its last legs, as the union was exhausting its final efforts to keep the scheme alive.

SEIU Healthcare Michigan did not respond to requests for comment. ■

The original version of this story was posted online on Oct. 5 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19197.

FORCED UNIONIZATION

from Page Five

The unions most directly involved in Illinois are the SEIU and the American Federation of State, County, and Municipal Employees (AFSCME). The first attempt to unionize the 4,500 providers failed as the providers rejected unionization by a two-to-one margin in a 2010 by-mail election.

“These 4,500 were in a different program than those unionized some years ago by Gov. Blagojevich,” said Bill Messenger, an attorney with the National Right to Work Legal Defense Foundation. “The program they are in is for people taking care of their own children.”

Although the actions taken by Gov. Quinn that subject the 4,500 providers to possible forced unionization triggered the lawsuit, Messenger said the case is a challenge to the overall concept of forced unionizations.

“We are hoping the Court hands down a decision that will put an end to these unionizations in all of the states,” he said.

Messenger said he thinks the Supreme Court will hear oral

arguments in the case in February or March and announce a decision in May or June.

In its essential concept, the Illinois unionization scheme is much like Michigan’s home-based caregiver “dues skim,” which transferred more than \$34 million from the Medicaid checks of home-based caregivers to union coffers. In Illinois, home-based caregivers are referred to as personal care providers.

An important aspect of the schemes in both Michigan and Illinois is the treatment of the caregivers in both states as “public employees” only for the purposes of unionization.

Similar unionizations have taken place in other states across the U.S., particularly over the past decade as unions lose membership and seek ways to boost their numbers and importantly, increase dues collection. Cases sprung up in California, Connecticut, Minnesota, Illinois, Michigan and elsewhere.

Because the Illinois’ employment relations structure is not the same as Michigan’s, the forced unionization came about differently there. Shortly after former Illinois Gov. Blagojevich came to office in 2003, he unionized about 20,000 personal care providers by executive order. There was no unionization election involved with

that unionization, just a signature gathering drive by a union.

In Michigan, unionizations of home-based caregivers and daycare providers took place in 2005-2006. Under former Gov. Jennifer Granholm, the SEIU and AFSCME used dummy employers and by-mail stealth elections to accomplish the forced unionizations.

The forced unionizations in Michigan did not come to light until 2009, when the Mackinac Center Legal Foundation filed suit over the daycare unionization.

The daycare provider unionization ended in Michigan when Gov. Rick Snyder came into office.

The forced unionization of home-based caregivers in Michigan ended in March and finally took place when Gov. Snyder and the legislature outlawed it. A union attempt to place the unionization in the state constitution with Proposal 4 was soundly defeated by 14 percentage points. Gov. Snyder later forced the dummy employer to disband.

Gov. Quinn’s office did not respond to a request for comment. ■

The original version of this story was posted online on Oct. 7, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19198.

DETROIT TAXES

from Page Five

shot on the property in two separate incidents, she said.

“For this great experience we got to pay high taxes, personal and property, on over-assessed property,” Bogaert said. “There were taxes on our heaters, compressor, gas tanks stored in the building (oxygen, acetylene, map and propane). There also were taxes on our awnings and industrial rates on our water.”

The entire tax system in Detroit needs to be revamped, said Steve Thomas, another long-time Detroit business owner.

“From top to bottom, Detroit’s tax system is broken,” Thomas said. “It is a punitive system that punishes achievement, rewards failure and is prone to abuse. The city’s underlying economic problems will not begin to heal until Detroit’s tax system is overhauled.”

For nearly three decades, Bogaert and her husband did what many small businesses do — they scraped by.

The couple straightened metal: Tools, dies, beams, bolts, automotive parts, shafts, plates and more. Bogaert said she did everything from accounting and payroll to driving the lift truck and

cleaning the toilets. In the end, it wasn’t enough.

“There were [constant] safety inspections by the state and the city,” she said. “It was next to impossible to get affordable insurance to cover all our losses. A 12-year-old boy driving his drunken mother ran into a piece of steel we were moving with the proper safety precautions and (they) won a \$20,000 settlement. When our lift truck was stolen, that was the end.”

Since they left, Bogaert estimates they have received 10 or 12 requests for taxes and fees. She said she used to call the city, but “they ignored me so I just ignored them and threw them away.”

Detroit wanted money for fire permits, for inspections and gas storage, awning permits (long after the aluminum awnings had been torn down), building occupancy and personal property fees.

“The hostility showed to entrepreneurs by the city and many of its residents makes doing business there a difficult prospect,” LaFaive said. “People shouldn’t ask why so many businesses have left, but why any have stayed.” ■

The original version of this story was posted online on Oct. 3, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19193.

COACH

from Page Nine

said. “Not, ‘You owe me legally six months of union dues’ and if I don’t pay it, then that might affect some credit or I might get a phone call about legal action or taking me to court and suing me for the legal fees in addition to my union dues. I don’t expect that kind of treatment.”

Arthur said he was never notified of the August window by his union or the MEA. He said the MEA sends its members dozens of articles to read, but he said he didn’t see a thing about what was required to leave the union.

August is the month when teachers have little contact with the

school, the union or even fellow union members, he said.

Mary Lieberman, director of the MEA Uniserv office that serves the Petoskey Education Association, didn’t return a request for comment. Petoskey Education Association President Jamie Buchanan referred all questions to MEA headquarters. MEA Spokespeople Nancy Knight and Eleanor Mustafa didn’t respond to requests for comment.

In a story in The Detroit News, MEA President Steve Cook said the union will prevail. He said the cases were “baseless.”

Arthur said the union intentionally withheld information to keep its members in the dark

about how they could opt out under the right-to-work law.

“If it’s important for [the union] to have my money and it’s important for us to have a relationship, they should be transparent and give me all the information that I need to know to make an educated decision,” Arthur said. “[They should] not purposefully withhold information from me so that I can’t make a qualified decision or the right decision and then lock me into paying those dues.” ■

The original version of this story was posted online on Oct. 23, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19285.

ANTI-GOP PROF

from Page One

others and that Penn acknowledged that some of his comments were inappropriate, disrespectful and offensive.

Penn hasn’t returned requests for comment.

MSU Spokesman Kent Cassella said in an email that, “Professor William Penn will be assigned to teach two small courses next semester in creative writing. In the meantime, as part of MSU’s commitment to create a learning environment characterized by mutual respect and civility, a faculty committee created by Academic Governance continues to review the

responsibilities of faculty members and the impact of social media on teaching and learning. Their report is due in early 2014.”

A state GOP spokesman said a one-semester, paid suspension wasn’t enough and Penn should have been dismissed.

“As we have said from the beginning, Michigan State University’s decision to put Mr. Penn on suspension ... does not go far enough,” said Michigan GOP Spokesman Darren Littell.

The original version of this story was posted online on Nov. 15, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19374.

Beer Website Provides More Information About Taxpayer Investment Than The State

Schools will receive more than half a billion dollars more from the state and federal government alone this year

BY TOM GANTERT

The state of Michigan will give out an estimated \$577 million of taxpayers' dollars this fiscal year in the form of tax credits to various companies.

But getting information from the state about those deals remains a challenge.

In at least one instance, a popular beer website sheds more light on what happened to a deal the state brokered than the state organization charged with its oversight.

In 2009 the Michigan Economic Development Corp. approved up to \$723,000 in tax credits for the Michigan Brewing Co. to expand to produce Kid Rock's "American Badass" beer. The MEDC doesn't mention anything in its latest annual report about the deal.

But Beerpulse.com reports that Michigan Brewing Co. went out of business.

The transparency of the MEDC is a concern, said James Hohman,

assistant director of fiscal policy at the Mackinac Center for Public Policy.

The MEDC only tracks deals when the companies report back on the jobs it has created. Deals that never materialized are not reported on by the MEDC.

For example, in 2008 the MEDC approved an estimated \$827,000 in tax credits for Faurecia Interior Systems of Fraser. The company projected it would create 82 jobs with the expansion.

Five years later, the MEDC doesn't report anything on the deal.

"There needs to be better reporting that compares expectations with results," Hohman said. "You need to know whether these things are working out as planned and how much they cost."

Hohman said there is some good news. A new program, the Michigan Business Development Program, will issue grants instead of tax credits so information about recipients can

be shared by the state. The MBDP replaced the state's MEGA program, which gave out tax credits.

Because MEGA used tax credits, the Attorney General and Treasury Department maintain that is protected tax information, said Kathy Fagan of the Michigan Economic Development Corporation.

Sen. Jack Brandenburg, R-Harrison Township, introduced Senate Bill 316 in April that would revise the tax confidentiality law and allow the state to release the information.

A phone message left at Sen. Brandenburg's office was not returned.

"The tax credits are a huge expense, but without disclosing their value matched with expectations, it's unclear what taxpayers are getting in return," Hohman said. ■

The original version of this story was posted online on Dec. 2, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19403.

Despite Fewer Students, Michigan School Funding Going Up, Up, Up

BY TOM GANTERT

The Michigan Department of education made its quarterly presentation on the number of school districts in deficit to the state Legislature, but lost in the discussion about funding is that the state and federal government have budgeted \$563 million more dollars for public school K-12 education in Michigan in 2013-14 than last year despite a drop of 6,100 students.

The state's School Aid Budget, which funds K-12 education, increased from \$12.9 billion in 2012-13 to \$13.4 billion in 2013-14. Federal dollars jumped from \$1.701 billion last year to \$1.764 billion in 2013-14.

However, student enrollment over the last year in public schools dropped from 1,536,600 students to 1,530,500.

"They are actually getting more money and there are fewer kids in the program," said James Hohman, assistant director of fiscal policy at the Mackinac Center for Public Policy. "You can argue they are not getting as much as they want, but you cannot say that taxpayers are spending fewer dollars on K-12 education."

However, many school union officials and others will complain that school funding has been cut and that more money needs to be spent regardless of student enrollment counts or student achievement.

There were a number of districts that didn't submit financial information to the state by Nov. 15, said Glenda Rader, spokeswoman for the Office of State Aid and School Finance. Rader said the final numbers will be ready by the time Superintendent Mike Flanagan makes his quarterly presentation to the Legislature Dec. 12.

Flanagan told the legislature in September that unaudited figures showed there were 56 school districts with deficits. ■

The original version of this story was posted online on Dec. 2, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19403.

Bills Would Limit House Inspections

Tax assessors have been entering personal residences in some communities

BY TOM GANTERT

Two Michigan lawmakers have introduced bills to limit access to people's houses by local tax assessors.

Complaints surfaced earlier this year when a group of homeowners in Davison Township contacted the Mackinac Center for Public Policy about letters from the local tax assessor requesting to come inside personal residences. Homeowners who declined saw their assessments go up based on improvements their neighbors made in their houses, which resulted in higher property taxes. Other homeowners agreed to the inspections because they thought they were legally required to do so.

State Representative Bob Genetski, R-Saugatuck, introduced House Bill 5172, which demands that assessors, "shall not enter any structure, dwelling unit, or other improvement ... without written permission of the owner." The bill has not yet been assigned to committee.

The bill also prohibits assessors from increasing assessed value if denied entry. Rep. Genetski said he was prompted to draft the bill after viewing a video produced by the Mackinac Center on the practices in Davison.

"There are people who also said 'yes' when they were told if you like your health care plan you can keep it," Rep. Genetski said. "Hopefully people are learning more and more that you can't trust government and it's not a bad idea to ask questions."

The Davison Township assessor began requesting interior inspections after receiving a 2010 memo to assessors from the Michigan State Tax Commission. The memo encouraged local tax departments to annually inspect a minimum of 20 percent of parcels each year.

The Davison Township Assessor read that to mean going inside homes.

When asked about the memo, Michigan State Tax Commission

Executive Director Kelli Sobel said it should be a goal "to get inside every house" to ensure an accurate assessment. Local assessors say they risk state audits if they fail to accurately assess property.

It is not clear how many municipalities are conducting interior inspections. The Michigan State Tax Commission said it does not keep track. Davison Township ended the inspections after homeowners flooded a Township Board meeting and complained.

Conducting interior inspections requires extra staff. One municipality, Meridian Township says it hires part-time college students to take on the extra load.

In response to that, State Representative Mike Shirkey, R-Clarklake, introduced a companion bill, which mandates changes in the state assessor's manual. It also has yet to be assigned to committee.

House Bill 5173 would change the state tax assessor's manual to spell out who such "agents" are and what their relationship is to the assessor. The bill also would require the manual to state that permission for entry must be granted solely by the property owner, must be kept on file, and is granted for one time only. The manual would also be edited to state that no interior pictures of the property are to be taken and that denial of entry should not be penalized in any way, including an increase in assessment.

"People can obviously let anyone they want into their homes, but when government is involved, we need to be crystal clear on knowing who would be coming into the home, what they would be doing there, and that the homeowner knows 100 percent that they can say 'no' without penalty of any kind," Rep. Shirkey said. ■

The original version of this story was posted online on Nov. 30 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19395.

TEACHERS TO LAWMAKERS: 'MEA WOULDN'T TELL US HOW TO LEAVE UNION'

BY TOM GANTERT

LANSING — Union officials purposely withheld information teachers needed to opt out of the Michigan Education Association, according to testimony given before a Senate committee.

Teachers from across the state said that because they were not told of the one-month window in which they could leave the union, they are now forced to continue to pay dues to an organization that they don't support.

The Senate Compliance and Accountability Committee was formed last week to determine whether there has been compliance with recently enacted state laws. Its initial area of investigation is to look into allegations that the MEA is not fully complying with the right-to-work law.

Much of the committee's first hearing focused on the so-called "August window." The MEA insists that its members can only opt out of the union during the month of August. That claim is disputed by many, including some members of the committee who said that no such limit exists under the right-to-work law.

However, according to testimony, even if the August window were valid, some MEA officials failed to inform teachers about it.

MEA officials have said the teachers missed their chance to opt out and must continue paying union dues.

Miriam Chanski, a kindergarten teacher with the Coopersville School District, told the committee that in May or early June she wrote on her e-dues form that she planned to leave the union.

"I put that I was opting out," Chanski said. "In July, I received a letter from the [union] Uniserv

Director acknowledging that the union had been notified that I wished to not join.

"In September, the president of the [Coopersville school district] union came to my classroom before school and said she had heard I wanted to opt out of the union," Chanski continued. "She asked me if I had sent in a separate letter to



Members of the Senate panel

the MEA. I said I wasn't aware that was required. Then she told me that I had missed the August window."

Chanski said the union

president claimed the August window had been discussed at several union meetings, but Chanski said that wasn't true.

Sen. Tonya Schuitmaker, R-Lawton, asked Chanski if she had attended all of the meetings.

"Correct," Chanski responded.

"So, apparently you were supposed to be a mind reader," Sen. Schuitmaker said.

Sen. Arlan Meekhof, R-West Olive, chairman of the committee, asked Chanski if her major complaint about the MEA was its lack of communication with members.

Chanski said she thought the union had done more than neglect to mention the August window.

"I think it was actively hidden from us," Chanski said.

Susan Bank, a special education teacher in the Novi Community School District testified on what she experienced when she tried to get out of the MEA. She said she thought she'd made it clear that she was opting out when she refused to turn in her paperwork to continue having union dues taken from her paychecks.

The union never made it clear what steps had to be taken to opt out, she testified. In addition, Bank said that the treasurer of her local

school union said her credit rating could be negatively affected if she didn't resume paying dues.

Sen. Meekhof asked Bank what she thought the treasurer meant by that.

"I thought she meant that the union would turn it over to a collection agency," Bank said.

"I have talked to at least five other teachers," Bank continued. "I have found out five of them felt they had to pay their dues because they were feeling intimidated. But next year they're going to make sure they're not going to be in the union."

Amy Breza, a Clarkston Community School paraeducator, told the committee that her school union president came into her classroom in September while Breza was working with a non-verbal special needs student and told Breza she wanted her to pay the dues.

"I said I can't talk to you now, I'm with a student," Breza said of the conversation she had with the union president. "I wrote it down on a paper afterwards. She said, 'I'm trying to help you save your job and I don't want you to get in trouble with the MEA.'"

Breza also testified that she thought she was out of the union but no one had told her about the MEA's August window.

At least four other teachers are expected to testify at future committee hearings. Sen. Meekhof told the committee that the MEA would be given its opportunity to testify on Dec. 4.

Chanski and Breza, along with other teachers from across the state, are being represented by the Mackinac Center Legal Foundation in complaints filed against their local unions and the MEA with the Michigan Employment Relations Commission. ■

The original version of this story was posted online on Nov. 14, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19350.

Higher Minimum Wage Hurts Low-Skill Workers



BY JARRETT SKORUP

Democratic gubernatorial candidate and former Congressman

Mark Schauer has proposed raising Michigan's minimum wage to \$9.25 per hour over a period of three years and indexing it to inflation from there forward. While mandating higher wages often sells well politically, the cost of doing so would be worse for the very people it is intended to help.

Proponents of increasing the minimum wage essentially are asserting that government can set wages with little adverse effect. But that's not true. While there is debate among economists over all of the ancillary effects of increasing the minimum wage, the majority of the evidence shows that doing so leads to higher unemployment — particularly for the lowest-skilled workers.

There are other costs as well, like the lowering of other compensation, cutting of work hours, higher prices and the elimination of other employee perks.

University of California-Irvine professor David Neumark is one of the foremost experts in this area and wrote in *The Wall Street Journal*: "Despite a few exceptions that are tirelessly (and selectively) cited by advocates of a higher minimum wage, the bulk of the evidence — from scores of studies,

using data mainly from the U.S. but also from many other countries — clearly shows that minimum wages reduce employment of young, low-skilled people."

CAPCON COMMENTARY

Increasing the minimum wage to \$9.25 per hour is a 25 percent increase over the current minimum of \$7.40 per hour. That means the price to hire some low-skilled workers will cost businesses 25 percent more. If you don't believe this increase will lead to changes in behavior, consider what you would do if a local restaurant, grocery store or gas station increased prices 25 percent. The mandate is really hiking the cost of hiring certain workers and would result in a drastic change in actions.

Because it is a popular political position, it is increasingly likely that this will be a prominent issue in next year's elections. But just because something sounds good doesn't mean it is. There is no free lunch, and the costs of a higher minimum wage are worse than the supposed benefits. ■

The original version of this story was posted online on Nov. 20, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19385.

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WE LOOK FORWARD TO HEARING FROM YOU

Union Graphic Leaves Out Billions of Public Dollars To Claim Education 'Cuts'

BY TOM GANTERT

The Michigan Education Association has continuously misrepresented the financial situation of schools, and did so again with a graphic it posted Sept. 12 on its Facebook page.

On a graphic titled, "Public School Cuts: A Vicious Cycle" (see image nearby), the MEA cited an open letter from a Michigan State University professor that leaves out billions of dollars in school funding from its analysis. The picture also cites a school district issuing 223 layoff notices but doesn't mention that the district only ended up actually laying off two teachers.

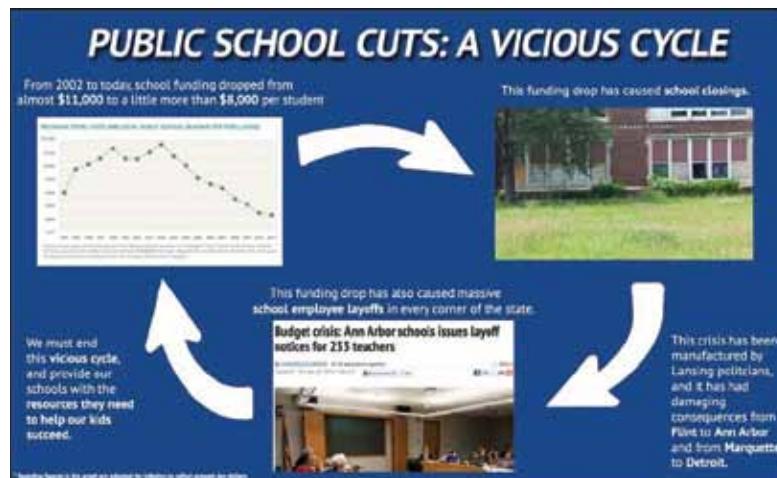
In the past several months, MEA President Steve Cook has misrepresented facts on school funding in Michigan's two largest newspapers.

Now, the Facebook page claims that when adjusted for inflation, school funding in Michigan has

dropped from \$11,000 per pupil in 2002 to \$8,000 per pupil in 2011.

The MEA is citing data lifted from an open letter sent

federal dollars or money given to Intermediate School Districts, Michael Van Beek exposed when he was education policy director



A graphic used by the Michigan Education Association misrepresents the financial situation of schools.

by Michigan State University Professor David Arsen to Gov. Rick Snyder.

However, Arsen's analysis left out billions of dollars given to schools because it didn't include

at the Mackinac Center for Public Policy. Arsen eventually changed some of the information in the letter.

When all revenue is calculated, funding for schools actually went

up 1.2 percent from 2002 to 2012, adjusted for inflation.

The MEA's chart also cites an AnnArbor.com article with a headline that read: "Budget Crisis: Ann Arbor schools issues layoff notices for 233 teachers."

But what the MEA doesn't report on the chart is that the Ann Arbor school district ended up laying off just one full-time and one part-time teacher, not the 223 initially reported in the spring, according to Ann Arbor Public Schools Spokeswoman Liz Margolis.

Public schools in Michigan often issue numerous layoffs for teachers and end up calling many of the teachers back.

"The MEA is using outdated and flawed information to support its incorrect claims," said Audrey Spalding, education policy director at the Mackinac Center.

Two members of the MEA's communications team did not respond to requests for comment. ■

The original version of this story was posted online on Sept. 17, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19149.

CITY SUED

from Page Five

also its practice of restricting access to traffic stop videos that are subject to FOIA. The case was Steven Eugene LaHaine v. City of Westland.

On Aug. 29, Wayne County Circuit Court Judge Marvin Stempien ruled against the city of Westland. In his decision Judge Stempien wrote:

The public policy stated in the ACT is subverted by any cost to the members of the public who are requesting information that is outside the actual cost enumerated in the ACT.

Defendant [City of Westland] claims that MCL 15,234 [the Freedom of Information Act] allows it to also charge for the equipment that is used in those activities that are required to comply with the FOIA request. Nowhere in MCL 15,234 is a charge for the cost of equipment permitted.

The ruling also stated that after items that are exempt from disclosure are blocked out, full audio and video recordings requested in FOIAs "shall be provided."

Judge Stempien concluded: "Thus, defendant [City of Westland] must forthwith revise its fees to comport with the clear language of MCL 15,234."

Maze said Westland has now stopped charging for FOIA materials.

"They (the materials) have been free of charge until the city can find out how much it should be charging," he said.

The Mackinac Center's lawsuit was filed Sept. 20 in Midland County Circuit Court and was prompted by a \$5 fee the city was charging before even beginning to search for the requested information.

Westland city officials did not respond to requests for comment. ■

The original version of this story was posted online on Oct. 16, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19236.

Michigan Capitol Confidential Wins Statewide Awards

Michigan Capitol Confidential won two awards from the Michigan Press Association, which announced the winners of its annual contest on Oct. 7.

Anne Schieber won second place for "best multimedia presentation" for her series of stories and videos on Nathan Duszynski, the 13-year-old from Holland who tried to open a hot dog cart to help his struggling family, only to be shut down by city officials. Schieber's stories

and videos told the story over the course of the year, which took a number of turns for the worse before Duszynski was able to reopen his cart last year.

"This video tells the story, from many angles!" the judges wrote. "Great job incorporating interviews with city officials, with the boy, with his parents, with other organizations. Quite informative about the whole issue. Thoughtful and thorough."

Michigan Capitol Confidential

Managing Editor Manny Lopez won third place for headline writing. The headline, "Money Motivates, But a Dollar Is Simply Insulting," accompanied a column he wrote about teachers' unions and school districts agreeing to reward teachers who excel in the classroom with \$1 as bonus pay.

"You can hear the irritation in the headline," the judges wrote.

Lopez said he was pleased to be recognized by the Michigan Press Association.

"The entire staff at Capitol Confidential does outstanding work," he said. "It is an honor to be recognized by the Michigan Press Association and it proves that readers appreciate news sources that deliver stories they can't get elsewhere." ■

The original version of this story was posted online on Oct. 8, 2013. It is available with hyperlinks and more info at www.MichCapCon.com/19204.

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**A sampling of proposed
state laws, as described on
MichiganVotes.org**

Senate Bill 515

Declare blueberry as the official state fruit

Introduced by Sen. Tonya Schuitmaker (R)

To establish in law that henceforth the blueberry (*Vaccinium Cyanococcus*) shall be designated as the official State of Michigan fruit. *Note: At present, Michigan does not have an official state fruit. Past bills have proposed designating the cherry as the official state fruit, and apple cider as the official state beverage.*

Senate Bill 604

Mandate criminal background check to adopt a pet

Introduced by Sen. Steve Bieda (D)

To mandate that animal shelters must check a government criminal records database before letting a person adopt an animal, and prohibit adoptions if the records show a person committed an animal cruelty offense in the past five years.

House Bill 4774

Mandate state permit/license for all private gun purchases

Introduced by Rep. Jim Townsend (D)

To expand to all gun purchases, including rifles and shotguns, a state pistol purchase “license” mandate. This pistol permit regulatory regime was repealed for purchases from licensed gun dealers by a 2012 law (dealers already run buyers through a federal database check), but still applies to private person-to-person handgun sales.

House Bill 4796

Impose children’s products regulatory regime

Introduced by Rep. Alberta Tinsley Talabi (D)

To require manufacturers and distributors of children’s products that contain substances deemed harmful by the Department of Environment Quality to submit detailed annual reports to the state regarding the products and the chemicals in them. The bill contains various exceptions and authorizes penalties of up to \$150,000. Referred to committee, no further action at this time.

House Bill 4816

Require insurers disclose “Obamacare” price increase in customer bills

Introduced by Rep. Mike Shirkey (R)

To require bills sent to customers for health insurance policies or HMO plans to include an estimate of the amount that any price increase was caused by mandates and regulations imposed by the federal health care law.

House Bill 4633

Mandate license plate replacement after 10 years: Passed 21 to 17 in the Senate

To mandate that vehicle owners must replace their license plate after 10 years, even if it is still legible. Under current law the state imposes a \$5 extra charge to replace a plate.

Senate Bill 2

**Expand nurse “scope of practice”:
Passed 20 to 18 in the Senate**

To revise nursing licensure regulations to provide a wider “scope of practice” for “advanced practice registered nurses,” potentially allowing these health care professionals to provide some services that current law only permits physicians to perform, subject to numerous restrictions and specific requirements.

Senate Joint Resolution V

Call for U.S. balanced budget amendment convention: Passed 26 to 12 in the Senate

To submit an application to Congress calling for a “convention to propose amendments to the U.S. Constitution,” limited to proposing an amendment that prohibits the federal government from spending more in any fiscal year than it collects in tax and other revenue (balanced budget amendment). Legislatures representing two-thirds of the states must request this to get a convention, and three-quarters of the states must approve any amendment proposed by an “Article V” convention for it to become part of the constitution. The resolution names 17 states that have submitted applications.