



# Uber, Lyft May Be Reducing Michigan Drunk Driver Crashes

BY TYLER ARNOLD

Drunk driving crashes in Michigan are down by nearly 50 percent over the past two decades, according to figures from the Michigan State Police. New research suggests an unexpected source for some of that decline: the growing popularity of ridesharing services like Uber and Lyft.

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## 2018 School Pension Underfunding Expense Enough To Fix The Roads



## MEET THE STAFF



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# NEWS BITES

From 2011 to 2018, Benton Harbor Area School's cumulative indebtedness from overspending their annual revenue **grew from \$16.4 million to \$18.0 million**. Here are just a few of the findings returned by the independent auditors engaged to review the district's annual financial reports during that seven-year span:

In both 2015 and 2016, auditors reported, "...the district did not prepare its own financial statements," and that the **auditors themselves ended up completing the city's financial reports**.

In 2015, after finding \$2.77 million in district expenditures that were not recorded in its accounting ledgers, auditors noted, "...**there was no person available in the Business Office with the skills and knowledge to apply governmental auditing standards** in recording the entity's financial transactions or preparing its financial statements."

Benton Harbor Area Schools is in the news over a debate to close its high school due to its large debt. Benton Harbor Area Schools has been "in deficit" for 13 consecutive years. The overspending began in 2006-07 with \$3.0 million in debt, and **by 2018-19 the district had accrued a debt of \$18.3 million**.

Benton Harbor has long been among the state's most highly funded school districts. For example, **Benton Harbor Area Schools received \$13,098 per pupil** (includes local, state and federal revenue) to its general fund in 2017-18. The general fund is used to pay daily operational expenses. The state average was \$10,190 per pupil in 2017-18.

Cindy Rossi, a teacher at Fitzgerald Public Schools in Macomb County, was quoted in an MLive teacher salary story saying that teaching in Michigan public schools is "a hopeless situation." The story did not report that **Rossi's total pay was \$81,934** in 2017-18.

"Anyone that could get out would get out," Rossi said. She also said she wouldn't recommend anyone consider being a teacher.

The article also stated Rossi was retiring after this year after 24 years of teaching.

A teacher retiring at Rossi's salary and 24 years of service **collects an annual state pension of \$29,496**, with an automatic 3% increase every year. The teacher also gets taxpayer-funded health insurance benefits. Michigan public school teachers are also eligible to collect Social Security benefits starting at age 62 and Medicare at age 65.

After adjusting for inflation, Michigan will have spent \$3 billion or more state tax dollars in the annual transportation budget just six times in past 80 years. **The \$3.64 billion in state dollars in the current year's transportation budget is the highest ever** and doesn't include any proposed gas tax increases.

The transportation budget is what pays for road repairs. The state first spent more than \$3 billion (as measured in 2019 dollars) in 1974, when the equivalent of \$3.37 billion was authorized. The \$3 billion level was surpassed again in 1976 (\$3.48B), 1978 (\$3.18B), 2002 (\$3.00B), 2018 (\$3.21B) and 2019 (\$3.64B).

The Detroit public school district plans to purchase six 10-passenger vans to pick up chronically absent students, according to the Detroit Free Press. **The cost of the pilot program would be \$200,000**. The district has 38,383 students that missed 18 school days or more which labels them as "chronically absent" by the state.

The Detroit Public Schools Community District **already spends \$35 million on student transportation**. The city of Detroit also spent \$156.8 million on transportation and another \$20 million on People Mover.

The Detroit Public Schools Community District hired a consultant to assess the future of the district's 100 school facilities. **The July 2018 assessment reported that it would require \$526.7 million to make needed capital improvements and catch up on deferred maintenance at all 100 buildings**. The firm estimated the cost would grow to \$1.502 billion by 2023 if no action is taken.

Detroit taxpayers approved a \$500.5 million bond in 2009 to repair the district's infrastructure and build new buildings.

An MLive story on teacher salaries in Michigan reported that Fitzgerald Public Schools teacher Greg Queen was "unable to provide for his family with earnings from a high school teaching job." Queen told MLive that his wife had to go back to working. MLive did not publish Queen's salary at the Macomb County district. **He was paid \$81,968 in 2017-18.** ■



## Anti-Tobacco Lobby Disappointed: No Tax Hike In New Vaping Law

### Governor has 'significant reservations' over signing bill banning sales of vaping products to minors

BY MICHAEL MCGRADY

Gov. Gretchen Whitmer recently signed into law a pair of bills that prohibit the sale of vaping products to minors — and forbids anyone under the age of 18 to possess them. Neither the governor nor the professional anti-tobacco lobby is satisfied with the bills, however, for a reason they are sometimes coy about expressing. Specifically, the legislation does not extend the state's tobacco tax to vaping products.

The legislation that did pass lets prosecutors charge minors with a misdemeanor or civil infraction for getting caught with any nicotine product. It also extends to vaping products the current rules and sanctions on retailers who sell tobacco to minors. The misdemeanor crime comes with a \$50 fine, or alternatively, community service or, in the words of the legislation, participation in a “health promotion and risk reduction assessment program.”

Whitmer touched on the tax issue in correspondence she sent to legislators when she announced her approval of both bills. The governor said she had significant reservations because the bills “instead of making clear that . . . tobacco taxes . . . apply to E-cigarettes it muddies the waters.”

The term of art used by Whitmer and others who favor imposing tobacco taxes on vaping products is that they should be

“regulated like tobacco.” Whitmer’s letter referred to other tobacco regulations like smoking bans in restaurants and other public places, but the real dispute is over taxes.

That became apparent from statements made in earlier committee hearings on the bill. According to Gongwer Michigan Report, Rep. Vanessa Guerra, D-Saginaw, was impatient with colleagues who would not agree to defining vaping products as tobacco:

“The reality is, when it comes to the Legislature, we have a population of people who don’t want to tax folks,” she said. “So, that’s really it at the end of the day. We have folks who don’t want to treat this as a tax issue, which is what it really is.”

Anti-tobacco lobbying groups that have pressed policymakers to extend tobacco taxes to vaping products also expressed dismay.

“After weeks of calling on Gov. Whitmer to veto Senate Bills 106 and 155, the American Cancer Society Cancer Action Network is disappointed that the governor has signed these bills into law,” says Andrew Schepers, the network’s director of government relations in Michigan. “The Legislature failed to create and pass comprehensive legislation that defines and regulates e-cigarettes as tobacco products to protect Michigan’s youth from Big Tobacco’s predatory practices.”

The legislation Whitmer reluctantly approved defines “alternative nicotine products” as “a noncombustible product containing nicotine that is intended for human consumption, whether chewed, absorbed, dissolved, or ingested by any other means.”

The bills define a “vapor product” as “a noncombustible product that employs a heating element, power source, electronic circuit, or other electronic, chemical, or mechanical means, regardless of shape or size, that can be used to produce vapor from nicotine or any other substance, and the use or inhalation of which simulates smoking.”

Opponents of regulating and taxing e-cigarettes as tobacco point out that the products contain no tobacco flora.

“I don’t expect this to change the market in Michigan in very noticeable ways,” said Michael LaFaive, the senior director of the Mackinac Center’s Morey Fiscal Policy Initiative, in an email. “The evidence — at least from Europe — is that alternatives to combustible tobacco, such as vaping products, are a legitimate harm reduction strategy. If true, then not regulating (or taxing) these products may be a better approach on net balance.” ■

*The original version of this story was posted online on June 10, 2019 and is available at [MichCapCon.com/26631](http://MichCapCon.com/26631).*



## State Business Subsidy Recipients Get, Keep Taxpayer Dollars

BY DAWSON BELL

The Michigan Business Development Program is the state government’s primary vehicle for delivering incentives to select businesses, providing grants, loans and other aid for what it calls “highly competitive (expansion) projects.”

From its inception in 2011 through May 2017, the program awarded nearly \$400 million in taxpayer funds to several hundred prospective recipients, according to a January 2019 report from the state Office of the Auditor General. It also disbursed \$163.8 million of that total.

The awards, often announced with some fanfare, are designated as performance grants, with recipients contractually



obligated to meet benchmarks for creating jobs and making investments. If a grant recipient defaults on an agreement, the state can demand that it repay the funds it has received.

But the Auditor General says that the Michigan Strategic Fund, which oversees

the program, is at risk of giving money to businesses that have not met the benchmarks — and has limited its ability to recover money from them.

Using annual reports the Michigan Strategic Fund has submitted to the Legislature, Michigan Capitol Confidential reviewed 240 projects approved before October 2015, and their status through 2018. Many of them languished or were quietly concluded without having met their stated goals and with little public notice.

Sixty-five (27%) failed to create a net increase in permanent jobs. Almost one-fourth (56, or 23%) were terminated prematurely, mostly for failing to meet benchmarks. Twenty-eight of the ones that reported no net new jobs had received at

least a portion of their initial grant. Most had made only partial repayments, or none at all.

From published reports, state records available online and interviews, Michigan Capitol Confidential pieced together the history of some of the projects which failed to meet expectations. The Michigan Economic Development Corporation, which oversees both the development program and the strategic fund, declined to provide additional information about the projects unless it received a formal Freedom of Information Act request. ■

*The original version of this story was posted online on April 11, 2019 and is available at [MichCapCon.com/26488](http://MichCapCon.com/26488).*

# Watch The Fine Print On ‘Green Jobs’ Claims

*Speculation often treated as fact, and definition may be only in eye of beholder*

BY TOM GANTERT

One of the more underreported aspects of the Green New Deal advocated by U.S. Rep. Alexandria Ocasio-Cortez, D-New York, is its inflated claim about jobs. According to the official language, it is “a historic opportunity to create millions of good, high-wage jobs in the United States.”

Green or “clean energy” jobs are generally framed in positive terms by the mainstream media. For example, Yahoo News recently featured a story stating that “solar panel installer” was the fastest-growing job in eight states, including California.

But as of 2017, there were just 9,000 solar panel installers in the entire country, according to the U.S. Bureau of Labor Statistics. There are so few of those jobs in Michigan that the BLS doesn’t even track the activity as its own category. There are also fewer than 10,000 people in the U.S. who work in private sector wind farms and solar farms — at a time when total nationwide employment is 150.6 million.

Yet, especially in Michigan, green companies have been promoted as job creators, with expectations often inflated above the actual number of jobs they provide.

For example, as early as 2009, then-Gov. Jennifer Granholm highlighted the advanced

battery manufacturer A123 Systems as a key to transforming Michigan’s economy.

In 2011, Reuters reported that Michigan would create more than 89,000 jobs over the following decade from wind farm developments, solar electricity generation and the production of advanced batteries for electric cars. That 89,000 figure then went from speculation to misstated fact when many proponents of green energy subsidies later wrote reports and stories that assumed those jobs had already been created.

Many predictions never came to be, however. For example, A123 Systems had projected it could create 3,000 jobs at an advanced battery plant in Livonia. Even President Barack Obama phoned into a September 2010 Granholm press conference to promote the company by name. The jobs that appeared did not remain for long. A123 Systems eventually filed for bankruptcy in October 2012 and was bought by the Chinese company Wanxiang Group.

The number of green jobs that do appear is often inflated by expanding the definition of what qualifies as clean energy employment.

For example, the Brookings Institution released a report in 2011 that stated there were 2.7 million clean energy jobs in the U.S.

But that report included 386,116 green jobs in waste management and another

350,547 in mass transit. In other words, garbage collectors and bus drivers could be counted as clean energy employees.

Finally, some economists wonder about the trade-offs that occur when households and businesses must pay the higher lighting and heating bills associated with having renewable energy sources and their backups.

Charles Steele, an economist at Hillsdale College in Hillsdale, Michigan explained in an email:

“Green energy’ [sources] — wind and solar — are generally not efficient. Spain implemented a massive green energy program, which required twice as many workers to produce the same amount of energy. This might sound like a great jobs program, but it meant workers in the energy sector became half as productive as before. And because energy became more expensive, it hurt the Spanish economy overall and caused total unemployment to become worse. This left Spain with more unemployed people and higher energy bills.”

“Green jobs,’ as in the Green New Deal, need government subsidy and support precisely because they aren’t very productive. If they were productive, private enterprise would adopt them on its own without government programs.”

Myron Ebell is the director of global warming and international environmental policy at the Competitive Enterprise Institute, a Washington, D.C.-based think tank. In an email, he explained why adding more jobs to electricity production is costly:

“I keep being told that there are only 50,000 coal miners while there are now more than 700,000 people employed in renewable energy. What is left out is that coal supplies 30 percent of our electricity and windmills and solar panels supply only 10 percent. Clearly, coal miners are much more productive and create a lot more wealth than wind and solar workers. That’s why the coal industry pays high wages and the renewable industry does not.”

“The goal of a productive economy is to produce as much wealth as possible while employing the fewest number of people and requiring the least amount of capital investment possible. If the goal were to create lots of green jobs, then that could be done by banning mechanized agriculture. Replacing gas and diesel guzzling tractors and other farm equipment with horses, mules, and human labor would easily create more than a hundred million green jobs.” ■

*The original version of this story was posted online on Feb. 19, 2019 and is available at [MichCapCon.com/26282](http://MichCapCon.com/26282).*





## 2018 School Pension Underfunding Expense Enough To Fix The Roads

BY TOM GANTERT

The state of Michigan incurred \$2.1 billion in what amounts to extra interest expenses in 2018 due to past underfunding in its (now closed) defined benefit school pension system.

The amount almost equals the sum Gov. Gretchen Whitmer says is needed to fix Michigan's roads. Whitmer has proposed a gas tax increase of 45 cents per gallon that would provide for road repairs.

The state-run school pension fund is \$32.7 billion short of the amount actuaries say it should have available to meet its promised pension payouts to teachers. The state has assumed that over the coming decades, the pension fund will earn annual returns on its investments of either 6% or 7.05%. But to make up for past underfunding, those same rates must be applied to the shortfall each year, and the resulting amount contributed to the pension fund. (The different rates apply to different classes of pension beneficiaries.)

This is the pension underfunding "interest" expense that must be paid each year, and it comes out of revenue collected from Michigan taxpayers.

Lawmakers have made reforms to the Michigan Public School Employees Retirement System several times over the past 10 years, but the pension debt has grown larger.

The governor has recommended a state budget that would allocate an additional \$1.9 billion to road repairs, contingent on lawmakers increasing the gas tax, which is expected to raise another \$2.5 billion.

The state-run pension system was fully funded in 1997, which means in that year, the state would not have paid what amounts to expensive interest charges on pension underfunding. That was the only year in the past 45 years, the Mackinac Center for Public Policy has found, that the plan was fully funded.

The pension benefits are paid for by contributions from members — school employees — and by the public school system that employs them. Members contributed \$393.1 million in 2018. The employer contributions that year were \$2.8 billion, and the pension plan paid out nearly \$5 billion in retirement benefits.

State taxpayers have paid a total of \$19.5 billion to cover pension underfunding "interest" expenses since 2006. ■

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## UBER, LYFT

from Page One

In 1999, more than 18,000 crashes on Michigan roads involved drunken drivers. That number decreased to 14,500 in 2004 and to about 11,000 in 2008. By 2018, it fell even further, to 9,786.

In 2018, there were five times as many crashes involving deer as there were crashes involving drunken drivers.

But at least one Detroit transit booster appears to have used current drunk driving crash statistics to criticize ridesharing services, which are sometimes seen as competitors to taxpayer-funded mass transit.

In late May, a web-based guide to Detroit transit, created by a local activist, tweeted that many of the state's 2018 alcohol-related crashes occurred because some people decided to drive home drunk rather than use Uber or Lyft and leave their car stranded elsewhere. Because of this, the transit-boosting site argued, the state needs to provide more funding for public transit.

But several studies have concluded that when Uber and Lyft start doing business in an area, the prevalence of drunk driving goes down.

A 2017 study by the Perelman School of Medicine at the University of Pennsylvania looked at the impact of Uber and Lyft in four major U.S. cities. It found that access

to the services decreased DUIs by about 60 percent in Portland, Oregon, and San Antonio, Texas. It did not find a substantial decrease in two Nevada cities included in the study — Reno and Las Vegas — a fact the researchers said may be related to their status as centers of adult-oriented tourism.

Another study by the Chicago-based Moll Law Group found declines in DUI arrest rates in 10 U.S. cities, including Las Vegas, after Uber and Lyft began operating in them.

Jeff Cranson, a spokesperson for the Michigan Department of Transportation, said he could not comment on drunken driving numbers. But he said the department supports Gov. Gretchen Whitmer's proposal to increase transportation taxes.

"The governor's proposed budget with \$2.5 billion in additional revenue for roads would dedicate [3%] of that new revenue to transit and other multi-modal initiatives," Cranson said. "Michigan's road funding statute, Act 51, requires that [9%] of state funds for transportation (raised through fuel taxes and registration fees) go to the Comprehensive Transportation Fund — primarily rail and transit."

"So the governor's plan would be a significant boost to transit systems across the state, including [in] Detroit," Cranson said. ■

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## Whitmer Gas Tax Hike: Media, Boosters Ignore \$600 Million It Moves Out Of Roads

BY TOM GANTERT

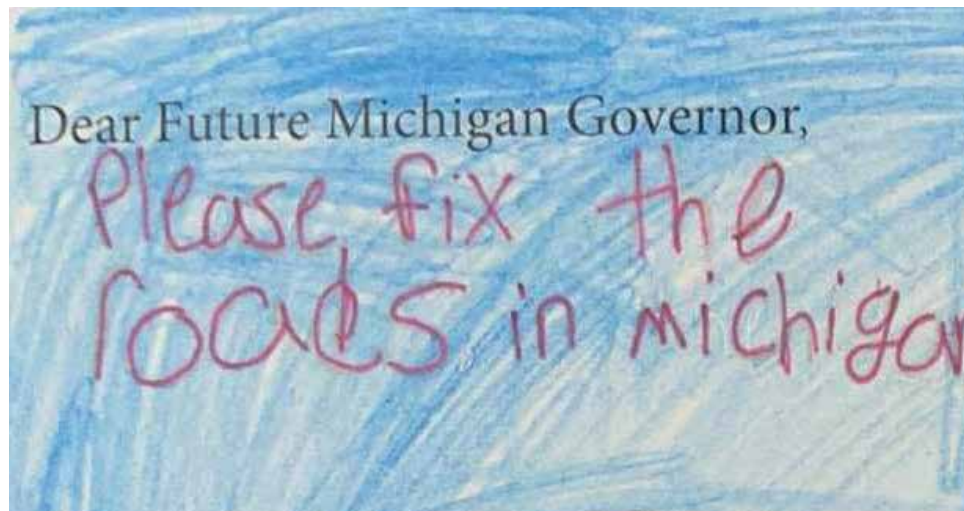
Mainstream media publishers and organizations supporting the \$2.5 billion gas tax hike proposed by Gov. Gretchen Whitmer continue to overstate how much of the increase will go to road repairs, given that the governor intends to remove other money from the road budget.

Whitmer's executive budget recommendation for the fiscal year that begins Oct. 1, 2019, assumes that extra revenue will flow in from her proposed 45-cent per gallon gas tax increase. This would come in three 15-cent installments, the last in October 2020, and is expected to collect \$2.5 billion more from motorists annually.

But the budget recommendation only proposes spending an additional \$1.9 billion on roads, not \$2.5 billion. Meaning that \$600 million — or 24 percent of the additional gas tax revenue — will be used to support other forms of state spending, and not, in the governor's campaign slogan, "fixing the damn roads."

Yet, ever since Whitmer delivered her proposal to the Legislature on March 5, no one in the media or the state political establishment appears to be listening, including the head of the Michigan Department of Transportation.

Here are some of the published reports that have included the inaccurate figure on road spending:



### Michigan Radio

MAY 29

"The governor's plan, the beauty of it is that she had said, this is my plan, this is my idea, anybody has a better idea on how to raise the 2.5 billion dollars to fix the roads, put it on the table and let's have the discussion," [MDOT Director Paul] Ajegba said.

### Detroit Free Press

MAY 29

"She [Whitmer] has estimated that the fuel tax would raise an extra \$2.5 billion.

Instead of putting that money through the regular formula under Public Act 51 of 1951, under which most of the road money goes to local road agencies, a greater proportion would be spent on the most heavily traveled roads."

### Small Business Association of Michigan

MARCH 12

"Whitmer is not proposing selling bonds as part of the plan. Instead, she is looking at adding to the state's 26.3-cent-a-gallon gas tax without taking off the existing state sales

tax on gasoline. Such an increase would raise roughly \$2.5 billion for the roads."

### Crain's Detroit Business

MAY 29

"Dow Chemical CEO Jim Fitterling, a member of BLM [Business Leaders of Michigan], supports Whitmer's call for \$2.5 billion more annually for roads.

"You can't expect the governor or any administration to try to fix this when the revenue won't cover it," Fitterling said. "I don't think the numbers are unrealistic. It is going to take the kind of money that they're talking about to get the quality of the roads up to where it needs to be."

### Hometown Life

MAY 25

"This was the driving force behind a recent vote by the Livonia Chamber of Commerce Board of Directors to support Gov. Gretchen Whitmer's gas tax plan to generate \$2.5 billion in annual revenue for lasting repairs to Michigan's crumbling roads and bridges." ■

*The original version of this story was posted online on May 31, 2019 and is available at [MichCapCon.com/26610](http://MichCapCon.com/26610).*

## Pro-Gas Tax Hike Democrat: Never Seen A Public Willing To Tax Itself

*Yet, local voters have approved 549 millages taxing themselves for roads and more*

BY TOM GANTERT

A recent Bridge Magazine article reported on the poor reception Gov. Gretchen Whitmer's proposed 45-cent gas tax hike has received from the public.

Bridge's headline for the piece was: "Yes, it takes billions to fix Michigan roads. No, taxpayers don't want to pay."

Included in the story was this quote from a prominent state Democratic politician:

"I've never seen a time when the public was willing to tax themselves for anything," Bob Emerson, former Democratic Senate Minority Leader, said at the roads forum. "I don't think the public will ever accept that it's needed."

Last year, 549 ongoing property tax millage levies had been approved by local voters, all of which dedicated some tax revenue to roads. They included 21 additional road tax millages approved by local voters just between 2015 and 2018, and many other approved previously.

Apparently voters are willing to tax themselves every year for a broad range of

purposes, including road repair. For example, in 2018, taxpayers in local communities voted to approve 36 new school millages for an additional \$1.5 billion in revenue. ■

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# The Roads Are Crumbling And Have Always Been Crumbling

*Michigan media has been breaking the story going on 30 years*

BY TOM GANTERT

Michigan's roads are crumbling. That hasn't been disputed in published reports that have appeared every year going back nearly 30 years.

Since at least 1991, there has not been a time when Michigan newspapers haven't reported about the poor condition of the state's roads.

Here's a sample of news reports and commentaries over the last 28 years to illustrate that point.

## Livingston County Daily Press

JAN. 29, 2010

Headline: *Roll slowed on road funds*

"Denise Jackson, the Michigan Department of Transportation's statewide planning administrator, said the delayed projects will mean thousands of lost jobs in Michigan and fewer chances to fix Michigan's crumbling roads and bridges."

## Detroit Free Press

MAY 17, 2009

Headline: *Better, more equitable funding for roads should be a state legislative priority*

"A campaign to raise \$1.8 billion more each year to fix Michigan's crumbling roads was launched last week with proposals to nearly double vehicle registration fees, switch from a flat tax to a percentage tax on gasoline and authorize local increases of other taxes."

## The Herald-Palladium

APRIL 4, 2007

Headline: *House gets gas tax bills*

"Our roads are crumbling," said State Rep. Craig DeRoche, R-Novi."

## The Herald-Palladium

JULY 2, 2005

Headline: *The state's crumbling roads*

"They [policymakers] point out that Michigan's roads and bridges are deteriorating faster than the state can afford to fix them."

## Detroit Free Press

JUNE 29, 2003

Headline: *Michigan should get full return for its gas tax dollars*

"That's the equivalent of a stiff 12 percent administrative fee — money that could be used to fix Michigan's crumbling roads and bridges."

## Detroit Free Press

JAN. 31, 2000

Headline: *Plan would expand roads*

"MDOT officials say the state has made good progress in rebuilding crumbling roads as a result of a 4-cent gas tax increase in 1997 and more than \$300 million a year in added federal highway aid."

## Detroit Free Press

SEPT. 18, 1998

Headline: *Roads rougher at election time*

"Most experts say Michigan's roads started crumbling long before [Gov. John] Engler took office, largely because the state was not spending enough."

## Detroit Free Press

JUNE 3, 1997

Headline: *Words fail and roads crumble as hot air floats over Mackinac*

"How sad."

"The politicians indulged in huge amounts of hot air, finger-pointing, harangues, nasty exchanges, etc. about how best to fix, build and rebuild Michigan's

crumbling roads and bridges during last week's three-day Greater Detroit outing on Mackinac Island."

## Detroit Free Press

JAN. 28, 1997

Headline: *Crumbling roads ruin state's image*

"In case you've been in a coma for the past year or so, roads are in atrocious condition and deteriorating by the day."

## The Herald-Palladium

OCT. 27, 1996

Headline: Report: *Our roads crumbling*

"The drumbeat of charges that Michigan roads and bridges are crumbling was renewed last week by a study calling on Michigan to spend an extra \$5.4 billion over 10 years for smoother, safer roads."

## Detroit Free Press

MARCH 29, 1996

Headline: *Gov. Engler gets a needed push on a gas tax hike*

"They may have little effect on Gov. John Engler, but at least a few people have had the gumption to raise the noise level about Michigan's crumbling roads."

## Lansing State Journal

MAY 1, 1995

Headline: *Ease up on plans to raise the pump price*

"Michigan's crumbling roads and 700 bridges on the state's critical list are in need of help. Few will dispute that. Paying for a massive road rehab is the \$350 million question."

## Detroit Free Press

JAN. 5, 1995

Headline: *Only way to fix roads is to raise gas tax*

"The County Road Association of Michigan commends the Free Press for supporting an increase in transportation funding to fix up Michigan's crumbling roads and bridges ... Recent studies have shown that Michigan roads are among the worst in the country." — letter to the editor from James Little, director, County Road Association of Michigan

## Detroit Free Press

JULY 29, 1994

Headline: *Governor Q&A*

"Clearly we must rebuild our crumbling roads. Michigan spends less on its roads than 47 other states." — former U.S. Rep. Howard Wolpe, D-Kalamazoo.

## Detroit Free Press

NOV. 13, 1992

Headline: *Freeway land grab milks taxpayers*

"It's not just M-59 that's a problem. There's a real problem in Michigan with our crumbling roads and bridges," said State Rep. Curtis Hertel, D-Detroit."

## Detroit Free Press

OCT. 27, 1991

Headline: *New transportation boss speaks out on bloated department, crumbling roads*

"Basically, we have poor roads in Michigan. They are poorly built, the bidding process is not right, and the quality of construction is not right," Transportation Commissioner Chuck Yob said." ■

*The original version of this story was posted online on April 8, 2019 and is available at [MichCapCon.com/26460](http://MichCapCon.com/26460).*

# Michigan Never Raised, Spent As Much On Transportation As This Year

BY TOM GANTERT

Even without any new gas or other tax hikes, the state of Michigan is already spending more inflation-adjusted dollars on transportation than at any time in the past 80 years.

Michigan will spend \$3.6 billion in state tax funds on transportation this year, the vast majority of which goes to road repairs.

This is only the sixth time in Michigan's history that state transportation spending exceeded the inflation-adjusted equivalent of \$3 billion.

An analysis of past records shows that state transportation spending reached the equivalent of \$3.0 billion current dollars in 2002, but it took another 16 years for spending to surpass that milestone. Michigan spent \$3.22 billion state tax

dollars on transportation in 2018, and \$3.64 billion has been authorized for 2019.

The information comes from James Hohman, director of fiscal policy for the Mackinac Center for Public Policy, who reviewed state transportation records going as far back as 1940. The records included annual financial reports, state budgets, reports from the Michigan Department of Transportation and other

sources. Most of the records are from the 1950s and later, but the annual financial reports go back to 1940.

The state transportation spending figures used in this story do not include federal dollars that flow through the state transportation budget. ■

*The original version of this story was posted online on June 7, 2019 and is available at [MichCapCon.com/26630](http://MichCapCon.com/26630).*

## Detroit Schools The Nation's Worst, Super Want Its Teacher Pay The Nation's Best

*Worst urban district for 10 years per Nation's Report Card, but Detroit gives its own teacher high marks*

BY TOM GANTERT

Detroit Public Schools Community District Superintendent Nikolai Vitti has called for his district's teachers to become the highest paid in the nation.

Vitti said in an op-ed published in the Detroit Free Press that his legacy and that of the school board "will rest on making Detroit teachers the highest paid in the state and country. Detroit teachers deserve to be the highest paid because our children deserve the best teachers in each of the classrooms they enter and leave every day."

Vitti's essay deserves some scrutiny, however.

Should a school district with an academic track record as poor as Detroit's — one that reaches back for at least 10 years — be rewarded with the additional tax dollars required to make its staff the nation's highest paid?

Every two years, the National Assessment of Educational Progress evaluates the



academic progress of students in America's largest cities and publishes its findings under the banner of "The Nation's Report Card." The ratings are based on fourth- and eighth-grade student test results on math, reading, science and writing.

In 2009, 2011, 2013, 2015, 2017, the Detroit public school district finished last in every one of those categories.

Another school quality indicator, created by the Mackinac Center for Public Policy, incorporates students' socioeconomic background into its analysis. Schools with

a higher proportion of students from low-income households are compared against schools serving similar populations. This provides an apples-to-apples indication of how those schools are doing. (Schools with a more affluent population tend to do better on standardized tests.)

Based on the adjusted results, the Mackinac Center report card gives each school a letter grade. Of the Detroit district's 22 high schools, 18 received an F; 55 of its 69 elementary and middle schools also earned an F grade in the most recent report.

In his op-ed, Vitti said Detroit teachers should be the highest paid because Detroit's children deserve the best teachers.

If the district's evaluations of its own teachers are taken at face value, its academic problems lie not with the faculty of these failing schools. Detroit has given remarkably good ratings to its teachers, considering how poorly the district's students have fared academically.

In the district's most recent evaluations, 95% of the 2,856 teachers evaluated were rated either "highly-effective" (37%) or "effective" (58%) in 2017-18. Just 4% were rated minimally effective and only 1% were rated ineffective. That's in line with the state average, where 40% of teachers were rated by their own district's administrators as "highly effective" and another 58% as "effective."

"According to the district, 95% of current teachers are effective, yet the average student test scores are abysmal," said Michael Van Beek, director of research for the Mackinac Center. "It's not clear at all how giving these same teachers large salary increases will improve the overall academic performance of the district. Detroit teachers may very well be deserving of a pay bump, but it sure doesn't show up in the student achievement results." ■

*The original version of this story was posted online on June 6, 2019 and is available at [MichCapCon.com/26626](http://MichCapCon.com/26626).*

## Michigan School Funding 'Dead Last'? Watch That Methodology

BY TOM GANTERT

Gov. Gretchen Whitmer will give her first State of the State speech on Tuesday and has said she will talk about education.

As Whitmer prepares for the speech, the interests and voices that consistently support higher public school spending are talking about a recent Michigan State University study that characterizes Michigan as "dead last" in school funding over a particular 20-year period.

Virtually every news outlet in the state has run a story about the report.

The Holland Sentinel, for example, had a Feb. 5 story with the headline: "MSU study: Michigan 'dead last' in K-12 public school funding."

Is the state of Michigan really dead last in school funding?

Here are some things taxpayers should know about the study.

To compare past spending levels with more recent ones, the MSU researchers used an obscure method to adjust for inflation. If the study had used the more common Consumer Price Index, the reported funding decline largely disappears.



Michigan Capitol Confidential previously reported: "The researchers compared past school spending levels by using an inflation index that is based on changes in state and local government purchase prices. As a result, their analysis overstates past school spending compared to what an analysis using the familiar Consumer Price Index would show."

"The authors of the report used the U.S. Commerce Department's GDP price deflator for state and local government purchases as their index of inflation. As a result, their work generated an inflation estimate that is 50 percent higher than what the Consumer Price Index shows, according to an analysis by the Mackinac Center for Public Policy."

CapCon also reported that the study didn't include the last four years of school spending.

CapCon reported, "The MSU study compared spending levels from 1995 to 2015 and therefore did not include increases in state revenue after 2015. State spending on K-12 education has increased from \$11.86 billion in 2014-15 to \$13.04 billion in 2018-19. During that four-year period, the state invested an additional \$2.9 billion in state dollars above the 2014-15 levels." ■

*This article is the final in a three-part series examining school funding topics in Michigan in the lead up to Gov. Whitmer's State of the State address.*

*The second story was about equitable funding in public schools. The first story was about the school foundation allowance and how it is often cited in the media.*

*The original version of this story was posted online on Feb. 11, 2019 and is available at [MichCapCon.com/26266](http://MichCapCon.com/26266).*



## Financial Disaster for School Districts Hasn't Come

BY TOM GANTERT

Four years ago, then-State Superintendent of Public Instruction Mike Flanagan told the Michigan Legislature that school districts were “spiraling into financial disaster,” according to a March 6, 2015, Detroit Free Press story. Flanagan said that fixing the problem required enrollment stability, which could mean imposing a moratorium on any new charter schools.

Back in 2013, statewide media outlets had reported that a record-high 55 school districts were in deficit, which means they spent more than they collected during the school year and borrowed to close the gap. Flanagan predicted that there could be 100 school districts in deficit “before long.”

That never happened, however. In fact, the number of districts in deficit now is likely to equal the lowest total since 1988-89,

according to a report released this month by the Michigan Department of Education.

There were 17 school districts that ended the 2017-18 school year in deficit. That is the lowest number since 15 districts were in deficit in 2003-04. Moreover, the March 2019 report projects that seven of those 17 districts were on track to eliminate their deficits by November 2018. The department won't verify until June whether that actually happened.

If the projection is correct and there are just 10 school districts operating in a deficit condition, it would tie the lowest number since the 1989-90 school year, the earliest year included in department records. There were 25 school districts in deficit in 1989-90, and the number fell to a low of 10 districts in 2002-03, when Michigan's “lost decade” of economic woe was taking hold.

Comparisons of district numbers over time are slightly complicated because the

state now includes in its definition of school districts something that did not exist in 1988 — charter schools. The state identified 619 school districts in 1988-89 and about 900 in 2017-18. That increase is attributable to the growth of public charter schools, of which there were about 300 in 2017-18. Like a conventional school district, a charter school can go into deficit.

A narrative of a school funding landscape in crisis had been a theme in state news reporting, but it slipped out of the news as fewer and fewer districts overspent their revenues. Most media outlets have stopped reporting on the Education Department's quarterly report that contains deficit information.

A big reason for the turnaround is the steady increase in funding for K-12 schools, which began early in the current decade.

Total state dollars (not including local and federal) for K-12 schools have increased

from \$10.8 billion in 2010-11 to \$13.1 billion in 2018-19, according to the Senate Fiscal Agency. That's about an \$800 million annual increase when adjusted for inflation.

The 17 districts in deficit include: Distinctive College Prep, Gwinn Area Community Schools, Maple Valley Schools, Michigan Online School, Mt. Clemens Community School District, Vanderbilt Area Schools, Bay City Academy, Beecher Community School District, Detroit Public School Academy, Pontiac City School District, South Lake Schools, Benton Harbor Area Schools, Hazel Park City School District, Pinckney Community Schools, Suttons Bay Public Schools, Macomb Academy and Highland Park City Schools. ■

*The original version of this story was posted online on March 25, 2019 and is available at [MichCapCon.com/26387](http://MichCapCon.com/26387).*

## News Site Reports Teacher ‘Can’t Support Family’ — But Omits His \$81K Salary

BY TOM GANTERT

In a recent article on teacher pay in Michigan, the news site MLive profiled a teacher who, the article claimed, was unable to provide for his family on his school earnings.

What the article did not report was that this individual, Fitzgerald Public Schools teacher Greg Queen, was paid a total of \$81,968 in 2017-18.

MLive's article said that overall teacher pay is declining and based the claim on a calculation of the statewide “average” teacher salary. But in this state, pay can vary as much as \$30,000 for two teachers with the exact same credentials, and other factors make average salaries an invalid indicator of how well or poorly Michigan teachers are doing financially.

For example, a teacher at Troy Public Schools in Oakland County with 14 years of experience and a master's degree would have a base salary of \$84,500. The same teacher working for the Benton Harbor school district would have a base pay of \$54,800, an annual disparity of nearly \$30,000. (Notably, revenue flowing into the Benton Harbor district's general fund for school operations in 2017-18 was substantially higher on a per-pupil basis than the amount received by Troy schools — \$13,098 for Benton Harbor and \$11,609 for Troy.)

In the state of Michigan, the salaries paid to virtually all public school teachers

in a unionized workplace are based on just two factors — years on the job and the number of academic credentials accumulated. A way for a teacher to earn more is to accept extra school duties that come with additional stipends.

One problem with setting pay levels for skilled professionals in a manner not unlike that used for industrial assembly line workers is that pay stagnates for a teacher who has reached the top of the union pay scale. In one instance, a Michigan teacher who had received a teacher of the year award was covered by a union contract that prevented her from getting a raise for five years.

MLive's article on Queen noted that he had also reached the top of the pay scale.

The article stated:

“A decade of sluggish pay increases and rising contributions for health care and retirement benefits left Queen, 50, unable to provide for his family with earnings from a high school teaching job. ‘This is everybody's story throughout Michigan,’ he said.”

But Queen's claim that every teacher is in the same situation is not accurate, and it illustrates why using a statewide average salary to assess teacher pay levels can be very misleading.

The average teacher's salary in Michigan in 2017-18 was \$61,908, according to the state Department of Education. By comparison, the average teacher's salary in 2008-09 was \$62,237. Applying the logic employed used by the MLive story, it would appear that



teachers were making less in 2017-18 than they did nine years earlier.

That is not the case, and the school district that MLive selected to focus on is a good example of why.

The MLive story quoted Cindy Rossi, a special education teacher at Fitzgerald Public Schools.

MLive wrote: “She's retiring this year, and wouldn't recommend anyone enter the field. ‘It's a hopeless situation,’ Rossi said. ‘Anyone that could get out would get out.’”

MLive did not report her salary for the 2017-18 school year, which was \$81,934. When she retires next year, her top-of-scale salary will fall off the district's payroll, very possibly to be replaced a first-year teacher's starting pay of \$40,944 a year. This transition, and others like it, will show what appears to be a decline in the district's “average” teacher salary. It also shows why using “average” teacher salary figures can mislead when assessing school compensation levels.

In 2018, the district recognized five persons for a teacher of the year award. Their salaries ranged from \$45,794 to \$95,233.

The teacher who made \$45,794 had seen her total pay increase by \$808, after adjusting for inflation, between the 2013-14 school year and 2017-18. She did not receive a large increase, but her pay did not decline.

Another of the five teachers saw her salary increase from \$39,025 in 2013-14 to \$47,251 in 2017-18. After adjusting for inflation, this was equivalent to a real gain of \$5,899 over the period. The larger increase she received indicates that this teacher collected stipends for performing additional school duties, a common feature of school union contracts that let employees boost their pay by thousands of dollars a year. For example, the Fitzgerald district union contract prescribes \$20 an hour for helping students before or after school, for supervising detention and study hall, or for teaching in summer school.

Michigan Capitol Confidential obtained the teachers' salaries used in this story after submitting a Freedom of Information Act request with the Office of Retirement Services for the state of Michigan. Those salaries include all forms of compensation a teacher receives throughout the school year, which can be thousands of dollars more than what is stated as the base salary in the union contract. ■

*The original version of this story was posted online on June 3, 2019 and is available at [MichCapCon.com/26617](http://MichCapCon.com/26617).*

# Mismanagement, Incompetence Made Benton Harbor Schools A Financial Basket Case

BY TOM GANTERT

In September 2014, the state of Michigan intervened to address financial mismanagement at Benton Harbor Area Schools. As a result, the state and the school district entered into a consent agreement that was supposed to resolve a number of problems. Local school officials believed that this would mean progress in resolving the financial turmoil that had left the school district with millions of dollars of debt.

Yet, over the next two school years, the district failed to complete the financial reports required for its annual audit, causing an independent auditor to do the task when it reviewed the district's finances. In 2015, auditors found \$2.77 million in expenditures the Benton Harbor finance team had overlooked.

The notes auditors included in their reports from 2011 to 2018 depicted a school district that appeared incapable of managing its own finances, with leaders having little idea of where taxpayer dollars were going.

"The district did not prepare its own financial statements," the auditing firm said in both 2015 and 2016, and its employees then completed them. By not preparing the statements, the notes said, the district had put the auditing firm's independence at risk.

The local school administration was incapable of completing basic financial reports, according to the auditors. "There was no person available in the Business Office with the skills and knowledge to apply governmental auditing standards in recording the entity's financial transactions or preparing its financial statements," the firm said in 2015.

In 2011 and 2012, the accounting was so sloppy that district officials could not say how much cash they had on hand, according to the auditor.

The state of Michigan has given the Benton Harbor school district until today, June 14, to offer an alternative to its most recent cost-cutting plan, which is to close the district's lone high school and send its students to schools in nearby districts.

The local newspaper, The Herald-Palladium, claimed the state had disinvested in the school district. Benton Harbor Mayor Marcus Muhammad told the newspaper he thinks race played a factor in the state's decision.

Benton Harbor Area Schools began accumulating debt from persistent overspending in the 2006-07 school year. Between 2011 to 2018, the district's cumulative indebtedness grew from \$16.4 million to \$18.0 million, the latter equal to two-thirds of its \$27.2 million annual budget.

Here are just a few of the findings — and scorching observations — returned by the independent auditors who reviewed the district's annual financial reports during the recent seven-year span:

- In both 2011 and 2012, auditors reported that district officials did not "have a true reflection as to how much cash was on hand during the year."
- In both 2015 and 2016, auditors reported, "The district did not prepare its own financial statements," adding that they ended up completing them for the district.
- Also in 2018, auditors reported that the district said one school served a certain number of student meals in a single day

— which was more than the number of students enrolled.

- Throughout seven years of district overspending, auditors reported numerous examples of officials submitting reimbursement claims for federal grants even though they never incurred those expenses.

The audited financial reports also show a school district budgeting process that routinely over-projected enrollment, meaning that spending plans could not be supported by actual revenue. The deficits that resulted accumulated into the district's current \$18.0 million debt.

For example, the school administration projected in its 2017-18 annual financial report that the district would lose 120 students in the next fiscal year. But instead, enrollment dropped by 214 students — and with the decline, the district lost all the money that accompanies a student enrolled in a district.

Michigan state law makes school districts — which means the local school boards elected to run them — responsible for "accounting for ... public school money." Another law requires violations to be reported to the Office of the Attorney General for investigation and possible criminal proceedings.

Benton Harbor Area Schools has historically been one of the better-funded districts in Michigan. One explanation is that it's eligible for various federal grants for having so many students who are designated as "economically disadvantaged." In the 2018-19 school year, 83% of Benton Harbor's 1,941 students were designated as such.

Federal dollars accounted for \$6.9 million of the district's \$30.6 million in total revenue in 2018. Some of this money was available to pay certain employees, and the district was supposed to track the duties of those staff members.

Yet, according to audit reports, the school district continually violated the terms of the federal grants, jeopardizing future awards and putting it at risk of having to repay the money.

In 2012 and 2013, the district submitted reimbursement requests for grant money it never spent, causing the Michigan Department of Education to demand it pay \$323,677 in 2013. In 2015, the district overpaid at least 10 employees, whose compensation was covered by a federal grant, by \$133,245. And for years, the district repeatedly failed to require certain teachers to complete forms stating what duties they performed, something it was supposed to do.

Auditors repeatedly advised the district to create a written policy on how to comply with federal grants, but it did not follow through.

The district also was reimbursed for the federal lunches it provided at reduced or no cost to its poor students. But auditors found little oversight of the food service.

In February 2018, the district submitted reimbursement requests for 40 percent more meals than it served to students.

The Grand Rapids-based auditing firm — Hungerford Nichols CPAs and Advisors — referred questions to the district. ■

*The original version of this story was posted online on June 14, 2019 and is available at [MichCapCon.com/26643](http://MichCapCon.com/26643).*

## Detroit Schools Just Aren't That Crowded

BY TOM GANTERT

The Detroit Free Press reported that teachers in Detroit's public schools plan to oppose a new school calendar that adds five workdays without increasing their pay.

The story quoted a "militant" teachers union member making a claim about Detroit classroom sizes.

"The district already has terrible trouble filling its numerous vacancies, because of the low pay and difficult nature of our work," said teacher Ben Royal. Royal is a member of Equal Opportunity Now/By Any Means Necessary, a division of the Detroit Federation of Teachers that takes a more militant stance, according



to the Detroit Free Press. "This causes terrible overcrowding in many, many classrooms, which means students don't get the attention they deserve, and student achievement declines."

Teacher claims about overcrowded classes are not challenged by the media. Because

of that, Michigan Capitol Confidential has submitted Freedom Of Information Act requests to school districts, seeking class size data. According to information provided by the Detroit Public Schools Community District, Royal's claims of overcrowding are greatly exaggerated.

Just 4% of the classes in Detroit's public school district held 40 or more students, according to data released this fall. That comes to 340 classes out of 8,701 classes during the 2018-19 school year. The average Detroit classroom size was 26.73 students. The basis for that average excludes 1,502 classes that have fewer than 10 students.

The largest class in the Detroit system was a team sports class, which had 107 students. The second-largest class, at 88 students, was also a team sports class. There was also a team sports class with 81 students that was the third-largest class.

Most of the Detroit classes with 40 or more students were physical education or team sports classes. The largest academic class was a humanities class at Western International High School, which had 59 students. ■

*The original version of this story was posted online on May 1, 2019 and is available at [MichCapCon.com/26511](http://MichCapCon.com/26511).*



# For Michigan Newspapers, Disaster Always Stalks Public Schools

*Sky-is-falling headlines have been common since the 1950s*

BY TOM GANTERT

The state of Michigan is driving schools into bankruptcy, and even more public school districts will soon be broke.

That statement may resemble some recent Michigan newspaper headlines, like those attached to a report that for 25 years Michigan schools have been dead last nationwide in state revenue growth. But in this instance, the headline appeared above an opinion piece in a November 2009 edition of the Lansing State Journal.

The author was Donald Sovey, then the associate superintendent for business at Charlotte Public Schools. His op-ed carried the headline, “State is driving schools to bankruptcy.”

Sovey predicted that 86 districts would be bankrupt by June 30, 2010. [Editor’s note: There were 43 districts in deficit in 2010; the Michigan Department of Education projects that when the final 2018 figures are in, just 10 districts will have spent more than they took in, the lowest number in deficit shown in online department records that date back to 1989.]

Sovey now runs a consulting firm for school districts and government agencies facing financial challenges. But his claim has been echoed for decades by various politicians, school administrators and parents.

Consider a story from the Detroit Free Press. The headline was simply, “Bankrupt Schools,” followed by this first paragraph:

“The alarm cry has gone up from many of the state’s school districts, particularly those of the smaller cities, towns and rural communities, that unless drastic steps are quickly taken to bail them out of serious financial difficulties, many schools face the prospect of early closing.”

The writer added: “This situation, unfortunately, is not just the old ‘wolf’ cry which often presages demands for larger appropriations.”

That article was from Dec. 7, 1952.



In the nearly 70 years since then, public schools and their allies have rarely stopped crying ‘wolf,’ which can be seen in these Michigan news and opinion articles:

#### **The Herald-Palladium**

MAY 23, 2007

Headline: “Wake Up Michigan — Save Our Schools”

Annie Brown, a parent, wrote an op-ed that called for legislators to “make courageous steps toward increasing taxes.” Brown said, “For now, we need a quick answer before schools start going bankrupt and closing their doors.”

#### **Lansing State Journal**

JUNE 15, 2005

Headline: “GOP’s old dogs should learn to do new budget trick”

Michigan State University professor Fred Barton wrote an op-ed decrying an idea at the state Legislature to decrease spending. He wrote, “Schools going broke, instituting pay-to-play and laying off teachers? ‘Reduce spending?’ Roads look like they’ve been bombed? ‘Reduce spending?’”

#### **Battle Creek Enquirer**

JAN. 12, 1990

Headline: “State of state? It depends on your party”

“My schools are going broke and property taxes are outlandishly high. The priorities of the governor need to change,” said Rep. John Pridnia, R-Harrisville.

#### **Port Huron Times Herald**

OCT. 1, 1989

Headline: “Schools grasp at ‘imperfect’ reform plans”

“You’re just spending money and you’re not doing anything to help the poorer districts. If we can’t get some reform in funding schools, I’m going to predict we see some schools going bankrupt.” Those words came from the Croswell-Lexington superintendent, Gary Davis.

#### **Detroit Free Press**

FEB. 14, 1982

Headline: “The year the schools went broke — 1982?”

The article quoted Hugh Jarvis, president

of Michigan Federation of Teachers, who said, “In bluntest terms, Michigan schools are going broke.” He continued, “I’m afraid that school closing may become just another everyday event in 1982.”

#### **Detroit Free Press**

MAY 23, 1976

Headline: “Disaster Stalks Macomb County Schools”

The Detroit Free Press writer warned, “If the new taxes are not approved by the voters, several of the county’s school districts could be bankrupt within another year, says Bill Finlan, assistant superintendent of the Macomb Intermediate School District.”

The article later states, “Meanwhile, the schools are going broke.”

The article added, “To avoid bankruptcy, [Richland School District Superintendent Fred] Hoover says he expects the Richmond school board to place a millage request before their voters this summer.”

Another story, titled, “‘60s Boom Now Strangles Schools,” warned that other metropolitan school districts in the state were facing similar dire financial situations.

#### **Detroit Free Press**

MAY 6, 1969

Headline: “\$1 To Private Schools Would Be \$1 Too Much”

This article from the Free Press editorial board came out against legislation that would have given \$100,000 out of a school aid budget of \$845 million to parochial schools.

“It raises the question of constitutional bans on such aid and, most of all at this time of school financial trouble, the impossibility of giving money to private school systems when our public schools are going broke in many communities.” ■

*The original version of this story was posted online on April 2, 2019 and is available at [MichCapCon.com/26426](http://MichCapCon.com/26426).*



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## MichiganVotes.org

A sampling of proposed state laws, as described on [MichiganVotes.org](https://MichiganVotes.org).

### House Bill 4122

#### Assert “right” to drinking water

Introduced by Rep. Abdullah Hammoud (D)

To assert in statute that each person has a “right” to “safe, clean, affordable, and accessible water” for cleaning, cooking and drinking, subject to specified limits on the duty this implies for the government to provide water.

### House Bill 4148

#### Expand Open Meetings Act to administrative law agencies

Introduced by Rep. John Cherry (D)

To expand the scope of the state Open Meetings Act to state and local agencies authorized to promulgate administrative rules that have the force of law.

These entities would have to produce and post on their website audio or video recordings of all of their meetings that are required to be open to the public.

### House Bill 4198

#### Ban using social media while driving

Introduced by Rep. Triston Cole (R)

To expand a ban on texting-while-driving to also ban engaging in “interactive communication” while driving, or using a device to access, read, or post to a social media site while driving. “Interactive communication” is defined as text- or image-based communication including, but not limited to, a text message, an instant message or electronic mail.

### House Bill 4420

#### Lower drunk driving threshold

Introduced by Rep. Abdullah Hammoud (D)

To lower the 0.08 grams per 100 milliliters blood-alcohol-content (BAC) threshold for drunk driving offenses to 0.05 grams per 100 milliliters.

### House Bill 4441

#### Repeal 65 mph truck speed limit on fast freeways

Introduced by Rep. Sarah Lightner (R)

To repeal the 65-mph speed limit for trucks on freeways with 70 mph and 75 mph speed limits.

### Senate Bill 225

#### Let Detroit eliminate required city employee insurance copays

Introduced by Sen. Sylvia Santana (D)

To repeal an exception to the 2011 law that required all school employees, and municipal employees with certain exceptions, to contribute at least 20 percent toward the cost of the health insurance benefits, or contribute a specified dollar amount to the cost. The law allowed local governments to avoid complying with a two-thirds vote of their governing body — except for Detroit. This bill would allow Detroit elected officials to exempt city employees from this cost-sharing requirement.

### Senate Bill 235

#### Impose 10 percent tax on amusements

Introduced by Sen. Sylvia Santana (D)

To impose a 10 percent “amusements tax” in Detroit and other large cities (100,000 population or larger) on tickets to a for-profit zoo, garden, museum, concert, opera, play, sporting event, amusement park or festival. Money would be used to pay police and fire pensions and other post-retirement benefits.

### Senate Bill 249

#### Decriminalize social betting pools

Introduced by Sen. Jim Ananich (D)

To decriminalize “social wagering” in pools of 100 people or less where the relationships between them are social, and the bets are \$25 or less. This would apply to things like office football or NCAA tournament betting pools.

### Senate Bill 326

#### Require “disparate impact” study for new industrial facilities

Introduced by Sen. Stephanie Chang (D)

To require applicants for an air pollution discharge permit in a zip code with 35 or more active permits to perform a “disparate impact” study that incorporates the cumulative effect of all the permit holders in the area, and require a public hearing before a new permit is issued.