



# Government Employees Thrive In Epidemic; Small Business, Wage Earners Crushed

BY TOM GANTERT

When Gov. Gretchen Whitmer announced the first COVID-19 lockdown last March, she said, "This is going to be hard, but we're going to get through this, and we're going to get through it together."

That is not how Whitmer has governed during the pandemic. She has instead imposed extended lockdowns with increasingly complex and detailed restrictions on business and society, with impacts and costs falling unevenly.

These have been enforced with growing vigor by an army of state and local regulators who seek out and punish noncompliance, and not in the spirit of "we're going to get through this together."

Michigan Capitol Confidential has reported many examples of small business owners trying to avoid ruin while also complying with the state's lockdown orders. Hundreds of thousands of Michigan workers are also still sidelined by official orders and restrictions as of the end of 2020.

See **Wage Earners Crushed**, Page 9



PAGE 5

Federal Bill Would  
Force Tens of  
Thousands in  
Michigan Back  
Into Unions



## MEET THE STAFF



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## From 'Until There Is A Vaccine' To 'Until We Are All Vaccinated'

BY TOM GANTERT

The state of Michigan issued a press release stating 2 million doses of COVID-19 vaccine have been administered here, so it's worth examining how Gov. Gretchen Whitmer's statements about vaccines have changed over the last 12 months.

For example, the Michigan Department of Health and Human Services posted a Twitter meme Feb. 19 that read, "Until we all are vaccinated, we all need to wear a mask." Whitmer retweeted it.

But the "until we all are vaccinated" formula was not used by Whitmer over the summer and fall, before vaccines became available. And there is a substantial difference between the earlier formula and the one she is using now.

Here are several examples from the governor's press conferences of changes in the administration's official statements:

**July 9:** "What we're trying to do is get people to do the right thing for the right reasons. And the right reasons are a mask is, without a vaccine, without a cure, a mask is the safest way to protect yourself from the spread of COVID-19, to protect your family from the spread of 19, to protect your neighbors and co-workers, and to protect our economy from another potential step backwards."

**Aug. 19:** "We are all hoping for a safe and effective vaccine that will protect us from COVID-19 and allow our communities to get back to some sense of normalcy."

**Aug. 25:** "Until there is a coronavirus vaccine, we must do everything we can in our power to protect one another. Nobody is immune to this virus."

**Oct. 6:** "Until there is a vaccine that is widely available and has efficacy and is safe, or until we have better therapeutics, we are going to have to continue to mask up."

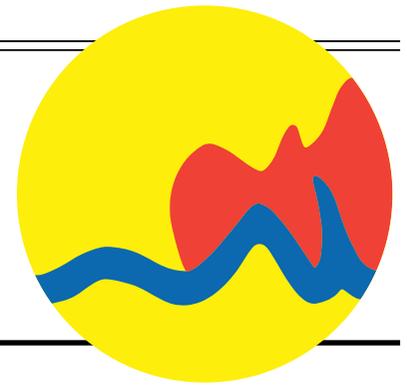
The language "until we all are vaccinated" is different from "until there is a vaccine" and "until there is a vaccine that is widely available."

On Nov. 23, state Health Department Spokeswomen Lynn Sutfin said, "At this time we do not have plans to mandate the vaccine."

Whitmer's office did not respond to an email on Feb. 25 asking if that policy had changed. ■

*The original version of this story was posted online on Feb. 25, 2021 and is available at [MichCapCon.com/28607](https://michcapcon.com/28607).*

# Grand Rapids: Workers, Businesses Suffered In Pandemic, Government Thrived



BY TOM GANTERT

The year 2020 was punishing for countless workers and entrepreneurs in the private sector. More than 1,023,000 workers in Michigan lost their job during a two-month span between February and April. That's more than one out of every four private sector jobs in the state.

Only 633,000 of those lost jobs had been restored by the end of 2020.

But the hardship was not evenly distributed. As lockdowns and restrictions persisted, there has been a class of people largely exempt from the pain inflicted on workers in restaurants, bars, hotels, health clubs, cosmetology and other businesses shuttered in 2020.

That protected class has been government and public sector workers.

There were 70,088 businesses in Michigan subjected to government-mandated closure at some point in 2020. Yet, many municipal governments gave their employees increases in overall pay. Most received modest pay increases but many received large increases at a time when the taxpayers who pay for them are suffering. The overall pattern contrasts sharply to what happened to the private economy in 2020.

In the coming weeks, this news site will report the raises received by some of the state's most highly compensated state and municipal employees.

Michigan Capitol Confidential has sent Freedom of Information Act requests to many municipal governments, seeking records showing the gross pay of their employees in 2019 and 2020. The responses so far show a pattern of government workers who suffered no losses during the epidemic, and in many cases, enjoyed extraordinary gains.

In Grand Rapids, the city's top 20 highest paid employees all enjoyed gross pay increases, some were modest and others had generous increases. At the lower end, City Manager Mark Washington saw his pay increase by 1.6% to \$288,303 in 2020. In the same year, a deputy fire chief enjoyed a 15.3% hike in his pay to \$137,779, and a fire inspector who collected \$96,975 the previous year was paid \$158,058 in 2020.

Officials justified the raises with detailed explanations.

The explanations included scheduled raises and promotions to overtime. But they also involved benefits now enjoyed mostly by public sector employees, like being allowed to cash out unused sick days and vacation time.

Steve Guitart, spokesman for the city of Grand Rapids, explained his city's pay hikes in an email, which is included here in full:

"As a public entity we take great care to be fiscally responsible while also ensuring our employees are appropriately compensated. People are our most valuable resource and, similar to the private sector, investments made towards recruiting and retaining talent are key to our operational success and providing our residents with the best possible value. You've already been provided the raw information via a FOIA request but we're happy to add additional context."

"Most of the increases you highlight were the result of regularly scheduled wage increases or promotions. A few were adjustments recommended by an external wage study in 2017 that took time to implement. Regardless of the reason, all these adjustments were made before the country was thrust into the grips of the Pandemic and were based on HR industry standards and best practices. Additionally, please note, due to the way you requested this information, this is the total compensation each employee received and therefore may include items such as retirement contributions or reimbursements for authorized expenditures unrelated to their base salary and — depending on the circumstances — are often available to employees across the organization."

"Additionally, there are factors related to the timing of a hiring or promotion that may make a year-over-year increase appear larger. For instance, you'll note in the chart below, at least one individual promotion that occurred mid-year and another who started in 2019 and therefore only received a partial salary. In those instances, the salaries appear to have increased substantially from 2019 to 2020 when in actuality the increase merely represents the annualized cost of a full year in that position."

"Finally, no one has been left unaffected by this pandemic. Cities across the country have worked diligently over the past year to help our communities navigate the impacts of the disease — and Grand Rapids is no different. We've implemented a number of protocols and programs — in conjunction with our County, State, and Federal partners — in an effort to keep our residents safe and healthy while also providing some amount of relief to those impacted economically. These are friends, neighbors, co-workers, and family members so, we are acutely aware of the ways in which the pandemic is affecting our communities. We will continue to support those struggling, while mourning those we've lost, and focusing on recovery to ensure we come out of this stronger and more resilient than ever." ■

*The original version of this story was posted online on Feb. 2, 2021 and is available at [MichCapCon.com/28490](https://michcapcon.com/28490).*

## Grand Rapids Top City Employees Gross Pay, 2019-2020

Title	2019	2020
City Manager	\$283,699	\$288,303
Deputy City Manager	\$161,191	\$187,065
City Attorney	\$173,568	\$177,065
Assistant City Manager	\$134,678	\$171,964
Fire Inspector	\$96,975	\$158,058
Police Chief	\$129,118	\$156,525
City Treasurer	\$150,134	\$154,491
Fire Chief	\$139,348	\$149,272
Fire Battalion Chief	\$126,710	\$145,660
City Engineer	\$19,561	\$144,076
Fire Lieutenant	\$119,589	\$143,812
Public Services Director	\$133,503	\$142,644
Police Officer	\$134,937	\$142,561
Fire Battalion Chief	\$129,721	\$140,942
Managing Director of Community Services	\$131,458	\$140,848
Fire Equipment Operator	\$115,267	\$140,681
Police Sergeant	\$137,717	\$138,600
Fire Battalion Chief	\$111,262	\$137,823
Deputy Fire Chief	\$119,404	\$137,779
Assistant Environmental Services Manager	\$124,541	\$136,036

## Number Of State Government Jobs Up As Michigan Crushes Its Restaurant Industry

BY TOM GANTERT

Michigan Gov. Gretchen Whitmer is expected to extend the statewide lockdown of bars and restaurants to Feb. 1, continuing a ban on any level of dine-in services that has already crippled the industry. The Michigan Licensed Beverage Association released a statement that Whitmer would make the announcement on January 13th at a press conference, according to WDIV.

When Whitmer imposed a first statewide lockdown on March 23, it was to end on April 13. But instead of lasting 22 days, that lockdown continued for 56 days. The lockdown in March contributed to the state losing 977,200 jobs and the unemployment rate soaring from 4% for the month of March to 23.8% in April.

On Nov. 15, the state put out a press release about the latest health department lockdown: “MDHHS Issues Three-Week Epidemic

Order to Save Lives.” But that “three-week pause” would be stretched to at least 75 days under a lockdown extension.

The lockdowns have more than decimated the food and beverage service industry. The Michigan Restaurant and Lodging Association released a survey in December in which 33% of the state’s restaurants (5,600 establishments) reported it was unlikely they would still be in business within six months.

Yet Michigan’s state government appears to have escaped any similar devastation.

Employment in state government increased from 47,324 full-time jobs in 2018-19 to 47,522 in 2019-20. The 2019-20 fiscal year ended Sept. 30. The number of full-time state jobs authorized in the current 2020-21 state budget is up from the previous fiscal year. ■

*The original version of this story was posted online on Jan. 13, 2021 and is available at [MichCapCon.com/28421](http://MichCapCon.com/28421).*



## Vaccination Rate Higher in Michigan, But Texas Mask Free And Open

BY TOM GANTERT

The governor of Texas has issued an order effective March 10 lifting statewide face mask mandates and allowing businesses, including restaurants, to resume service to customers at full capacity.

“With the medical advancements of vaccines and antibody therapeutic drugs, Texas now has the tools to protect Texans

from the virus,” said Texas Gov. Greg Abbott. “We must now do more to restore livelihoods and normalcy for Texans by opening Texas 100%. Make no mistake, COVID-19 has not disappeared, but it is clear from the recoveries, vaccinations, reduced hospitalizations, and safe practices that Texans are using that state mandates are no longer needed.”

According to The New York Times, 12.9% of the people in Texas have received at least

one dose of a COVID-19 vaccine as of March 2. The comparable number for Michigan is higher, at 15.4%.

Just like the rest of the country, Texas has seen a tremendous drop in the number of daily news cases of COVID-19.

On Jan. 5, the number of new confirmed cases there peaked at 31,882. By March 2, the number of new daily cases statewide had fallen to 6,826.

Michigan has experienced a similar decline. The number of new positive tests each day peaked at 10,140 on Nov. 20. In Michigan, there were 1,642 new cases reported on March 2. ■

*The original version of this story was posted online on Mar. 3, 2021 and is available at [MichCapCon.com/28620](http://MichCapCon.com/28620).*

## Three Warren Fire Department Employees Collected More Than \$200,000 in 2020



BY TOM GANTERT

Three members of the Warren city fire department were paid more than \$200,000 in 2020.

A fire department captain collected \$206,411 in gross pay in 2020 while a firefighter was paid \$204,993 and a fire department sergeant collected \$203,320.

Three other fire department employees were each paid more than \$190,000 in 2020.

Mayor Jim Fouts said the high pay came from overtime pay rates incurred due to the COVID-19 pandemic.

Fouts said the city has agreed to minimum-staffing requirements in the fire department union contract. The clause requires the

city to maintain a certain level of staffing at all times.

He said that COVID-19 also made it difficult to replace retired firefighters because the organizations involved in searching for new firefighters were hit by the pandemic.

Fouts said two fire department employees worked 2,000-plus hours of overtime, and another nine employees in that department worked 1,000 or more hours of overtime.

The city of Warren refused to release the name of its employees when asked to do so in a Freedom of Information Act request. ■

*The original version of this story was posted online on Feb. 9, 2021 and is available at [MichCapCon.com/28507](http://MichCapCon.com/28507).*

# Federal Bill Would Force Tens of Thousands in Michigan Back Into Unions

*You'll have to pay union dues as a condition of employment in many workplaces (government workers excepted)*



BY DAWSON BELL

The right of private sector employees not to be forced into paying a union as condition of employment could be wiped away in Michigan and 26 other states by massive changes in federal law proposed by Democrats in Congress.

Given Democratic control of Congress and the White House, passage of the Protecting the Right to Organize Act is a real possibility that would render Michigan's right-to-work law, adopted in 2012, a nullity.

That would mean thousands of Michiganders in unionized private sector workplaces — who have not been forced to pay union dues or fees since Michigan's right-to-work went into effect — would once again be required to pay unions as a condition of employment.

National Right to Work Foundation President Mark Mix called the legislation “a virtual smorgasbord of big labor power and privilege.”

“It means you gotta pay union dues or fees as a condition of employment or be fired,” Mix said.

Not government workers though. Importantly, none of this would apply to public sector employees, who are protected from compulsory union due payments by the 2018 U.S. Supreme Court ruling in *Janus v. American Federation of State, County, and Municipal Employees*. The court held that when the employer is a unit of government, requiring its employees to pay dues or fees to a union violates their First Amendment rights to free speech and free association.

Should a future court reverse *Janus*, however, public sector workers could again be required to pay the union as a condition of employment.

The measure is co-sponsored by all seven Democratic members of Michigan's House delegation and supported by its two Democratic senators.

AFL-CIO President Richard Trumka said in a statement: “The PRO Act will strengthen workers' ability to come together and demand a fair share of the wealth we create — boosting wages, securing better health care and rooting out discrimination. It's time for the party of FDR to finish what he started.”

Indeed, Mix said, the PRO Act is the most audacious attempt by big labor to transform the labor legal landscape and deliver money and power to labor bosses in more than a half century.

“It would be devastating for employees who have exercised the right to not belong to an organization they do not support,” he said. “Right to work is the one thing employees have to hold their unions accountable.”

According to a fact sheet from the bill's lead sponsor, Rep. Bobby Scott, D-Virginia, the PRO Act would merely eliminate the so-called free rider option for workers who decline to financially support a union while deriving benefits from union representation.

Passage of the PRO Act is believed to be a foregone conclusion in the U.S. House, where a nearly identical measure was approved in 2020. Prospects in the Senate, split 50-50 between Republicans and Democrats, are less certain, unless filibuster rules are amended or the measure is somehow tied to the filibuster-proof budget reconciliation process, possibilities

Mix said have been raised by pro-labor interests.

That is not the case for a bill introduced in the Michigan House on Feb. 9, which would repeal the Michigan right-to-work law enacted in 2012. House Bill 4175 is sponsored by 48 of the 52 members of the House Democratic caucus, but is certain not to pass in either the Republican-controlled House or Senate. If it did become law in a future legislature and Michigan's right-to-work law was repealed, the proposed federal law would have no effect here - workers in unionized workplaces would have to pay the union either way.

The number of Michiganders who have opted out of compulsory union support is not readily available. But an analysis by the Mackinac Center for Public Policy in 2020 found that among the state's largest public and private sector unions, membership had declined by 18% overall since passage of right-to-work. ■

*The original version of this story was posted online on Feb. 17, 2021 and is available at [MichCapCon.com/28543](https://michcapcon.com/28543).*



## Granholm Predicted 62,000 Michigan Battery Jobs — There's Less Than 1,800

BY TOM GANTERT

The U.S. Senate Committee on Energy held a hearing in January on the nomination of former Michigan Gov. Jennifer Granholm to become the U.S. secretary of energy. At the hearing, Granholm made a number of dubious statements about her track record on creating jobs in Michigan. Here is one of them:

"I'm really proud actually of my record in Michigan in terms of seeding the area for battery technology," Granholm said at the Jan. 27 hearing.

There were 40,654 battery manufacturing jobs in the U.S. in 2019, according to the Bureau of Labor Statistics. Michigan accounted for 1,751 of them, or 4.3%.

The figure includes jobs in manufacturing all types of batteries, not just those made for electric vehicles. That classification also includes small batteries, such as

those used for watches, transistor radios and flashlights.

In September 2010, Granholm set the bar much higher when she predicted the number of jobs that would flow from the many subsidies she authorized for battery makers. In a conversation with the one of those company's CEO, LG Chem's Peter Kim, she said the following:

"During our meeting, Mr. Kim remarked that Michigan is becoming a world capital for advanced batteries," Granholm said, according to a state press release. "We now have 16 advanced battery companies building facilities in Michigan and hiring people in Michigan, representing \$5.8 billion in capital investment and projected to create almost 62,000 new jobs." ■

*The original version of this story was posted online on Feb. 1, 2021 and is available at [MichCapCon.com/28492](http://MichCapCon.com/28492).*

## After Targeting Gas Pipeline, Whitmer Declares Propane Heating Fuel 'Emergency'

BY TOM GANTERT

Gov. Gretchen Whitmer declared a Michigan "energy emergency" on Feb. 20 to "ensure adequate propane distribution" for the foreseeable future.

"While I am confident that our state has the energy supply we need to get through these cold winter days, we aren't taking any chances after what happened in Texas this week," Whitmer said in a press release.

In November, Whitmer took action to shutdown the Line 5 pipeline that supplies much of the propane fuel used in Michigan.

Line 5 travels under the Straits of Mackinac in two 20-inch diameter parallel pipelines. The pipelines go underground onshore and then go deep underwater for 4.5 miles.

According to Enbridge, the Line 5 pipeline supplies 65% of the propane demand in the Upper Peninsula and 55% of the total demand in the state.

Line 5 transports as much as 540,000 barrels per day of light crude oil, light synthetic crude as well as natural gas liquids that are refined into propane, according to Enbridge.

Michigan Attorney General Dana Nessel filed a lawsuit to stop Enbridge from relocating the pipeline to a cement-lined tunnel 100 feet below the bottom of the Straits of Mackinac. The Court of Appeals ruled in favor of Enbridge and Nessel's office did not appeal to the Michigan Supreme Court, according to the Detroit News.

In January, Enbridge announced it has received approval of permits from state regulators to continue work on the tunnel project. But the company said it didn't resolve Whitmer's attempts to shut down Line 5 and Enbridge had filed a federal lawsuit against the governor.

"The permits issued today [Jan. 29] do not resolve Governor Whitmer's effort to shut down Line 5's current operations," Enbridge stated in a press release. "Enbridge is challenging those efforts in federal court. Such a shutdown before the completion of the Great Lakes Tunnel Project would lead to major energy shortages in the region and severe economic consequences for Michigan, neighboring states and Canada." ■

*The original version of this story was posted online on Feb. 22, 2021 and is available at [MichCapCon.com/28600](http://MichCapCon.com/28600).*



## Big 2020 Paychecks For Many Government Workers In Michigan

BY TOM GANTERT

The city of Sterling Heights has a reputation for having the most highly compensated police officers in the state of Michigan.

The average gross pay of all the city's sworn officers was \$104,947 in 2020, up 3.3% from the average of \$101,563 in 2019.

The most highly paid department employees were two sergeants, who

collected \$181,353 and \$160,961 in 2020. The police chief came in third among sworn officers at \$159,840. In 2019, the police chief collected \$188,690.

Salary figures represent gross pay, which includes overtime and any payouts for unused sick, comp or vacation time.

In 2020 the COVID-19 pandemic struck. Many private sector businesses across the

state were closed and their workers made jobless by government-ordered lockdowns. But government employees appear to have been largely protected from lost jobs and pay.

For this reason, Michigan Capitol Confidential has been reporting 2020 compensation levels at some prominent public sector workplaces.

The Michigan Municipal League, the lobbying group for municipalities, stated in November that cities, townships and villages faced a "dire fiscal situation" due to the pandemic. ■

*The original version of this story was posted online on Feb. 16, 2021 and is available at [MichCapCon.com/28549](http://MichCapCon.com/28549).*



## Shortage? **10.5% More Teachers In Michigan For 2.1% Fewer Students**

BY TOM GANTERT

WDIV-TV has reported that teacher shortages are among the top issues facing Michigan schools.

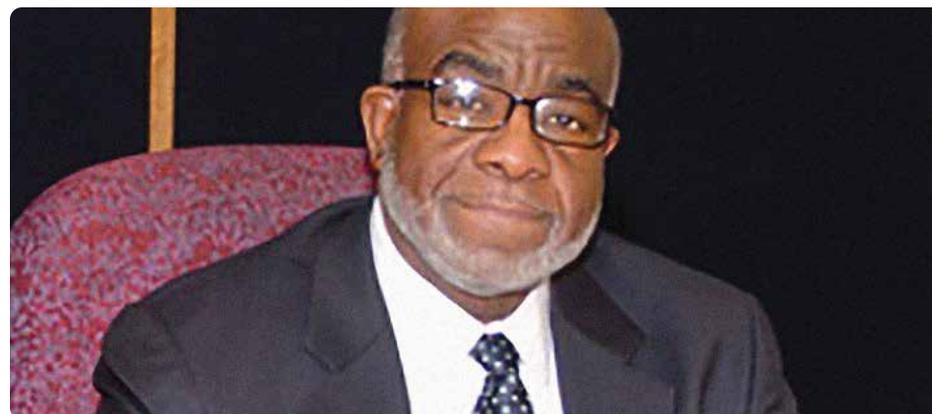
The station's website reported that there is a shortage but did not provide any data.

Over the past three years, there has been a 10.5% increase in the number of teachers working in Michigan public schools. During the same time, there has been a

2.1% decrease in student enrollment.

The number of teachers working in Michigan's public schools increased from 98,481 in 2016-17 to 108,801 in 2019-20, the most recent year state data is available. At the same time, enrollment has dropped from 1.53 million to 1.50 million. ■

*The original version of this story was posted online on Mar. 8, 2021 and is available at [MichCapCon.com/28634](https://michcapcon.com/28634).*



## Community College President Paid **Over \$525,000 Last Year**

BY STAFF

Curtis Ivery, the chancellor of Wayne County Community College, has been one of the highest-paid individuals in Michigan public education.

Ivery's gross pay has increased from \$397,512 in 2016 to \$525,996 in 2020, or a 32% increase over a four-year period. From

2019 to 2020, his gross pay increased by \$41,959, or 8.6%.

Ivery is the highest paid education official enrolled in the Michigan Public School Employees' Retirement System, or MPERS. ■

*The original version of this story was posted online on Feb. 15, 2021 and is available at [MichCapCon.com/28536](https://michcapcon.com/28536).*



## Top Heads Of Detroit Teachers Union Enjoyed Big Raises During Epidemic

BY TOM GANTERT

The two top officials in the Detroit public schools teachers union enjoyed notably large pay increases from the district last year.

Terrence Martin, president of the teachers union known as the Detroit Federation of Teachers, saw his gross pay increase from \$125,825 in 2018-19 to \$139,216 in 2019-20, a 10.6% increase.

Lakia Wilson, the executive vice president of the teachers union who is also employed by the district as a counselor, saw her gross pay rise from \$96,206 in the

2018-19 school year to \$120,825 in 2019-20, a 25.6% increase.

A strike threat by the union was averted last August when the district made concessions. The state's largest school district offered face-to-face instruction from Sept. 8 through Nov. 16, but then suspended in-person instruction. Classrooms were originally scheduled to reopen in January but are now set to open on March 8. ■

*The original version of this story was posted online on Mar. 5, 2021 and is available at [MichCapCon.com/28629](https://michcapcon.com/28629).*



## His Government Service Hardship Included **8% Raise, \$155K Golden Parachute**

BY TOM GANTERT

At a March 2 press conference, Gov. Gretchen Whitmer was asked why she offered former state health director Robert Gordon a \$155,506 payout as part of a separation agreement.

Whitmer said the pandemic has been hard on everyone, including "everyone who serves in state and local government," according to MIRS News.

Gordon's gross pay went from \$162,007 in 2019 to \$175,097 in 2020, an 8% increase. He abruptly resigned from his position on Jan. 22.

According to news reports, Gordon quickly landed a new public sector job as a public service scholar at the University of Michigan Law School. ■

*The original version of this story was posted online on Mar. 3, 2021 and is available at [MichCapCon.com/28619](https://michcapcon.com/28619).*

## Whitmer Still Claiming Vaccine Credit From Subsidy For Unbuilt Pfizer Facility

*‘Those are not the claims we are making,’ says economic development official*

BY DAWSON BELL

Gov. Gretchen Whitmer and state government economic development officials continue to tout the role of a state subsidy in the development of the Pfizer-BioNTech COVID vaccine. This comes despite evidence that the project for which Pfizer received a \$11.5 million incentive is not built yet.

As Michigan Capitol Confidential reported Jan. 22, the 400,000 square foot sterile drug manufacturing plant for which Pfizer received an incentive package in 2018 remains on the drawing board.

Yet Whitmer, in her Jan. 27 State of the State address, and again on Feb. 3, tied the taxpayer subsidy to the vaccine.

In her State of the State address, said that the rollout of the Pfizer vaccine had made Michigan the “epicenter of hope” in the fight against COVID. She followed that up by asking legislators to reauthorize spending on the business subsidy program known as Good Jobs for Michigan.

“You might not know this, but Pfizer was the first business to utilize Good Jobs for Michigan. They built their sterile drug manufacturing plant and created 450 good paying jobs,” she said.

Whitmer visited the sprawling Pfizer complex, which has been in operation since the early 1950s, to highlight the vaccine. She issued a statement which referred to “Pfizer’s global manufacturing site in Kalamazoo — which was developed in 2018 through the Good Jobs for Michigan program. ...”

But as the Michigan Capitol Confidential story revealed, building department officials in the city of Portage said Pfizer has yet to submit plans for building the processing facility. And the company reported to the Michigan Economic Development Corporation in September 2020 that no new jobs attributable to the state subsidies had been created so far.

Whitmer’s office did not respond to requests for clarification.

MEDC spokesman Otie McKinley, when asked to describe the evidence behind the claims of a connection between the Good Jobs subsidy for a planned-but-not-built facility and the vaccine, issued a statement. “Pfizer was the first business to utilize Good Jobs for Michigan with plans to build a new sterile drug manufacturing plant at the same Portage, Michigan facility where the first doses of Pfizer’s safe, effective and approved vaccine are being produced. Our message has been consistent: Good Jobs for Michigan has led to companies like Pfizer — one of the lead producers of the vaccine — to choose to expand and secure their presence in Michigan.”

In a follow-up inquiry, McKinley was asked how claims that the Good Jobs program was related to a vaccine’s development “can be reconciled with the fact that their Good Jobs project is still on the drawing board.”

He replied: “Those are not the claims we are making ... or any other statement



we have provided. As such, we don’t have anything additional to add at this time.”

Pfizer also did not respond to a request for an explanation what role the state subsidy may have played in development of the vaccine.

But Whitmer has not been alone in directly tying Good Jobs subsidies to the Pfizer COVID vaccine.

On Dec. 25, a group called Economic Development Leaders for Michigan, a coalition of 12 regional economic development officials, wrote a statement in the Grand Rapids Business Journal: “When Good Jobs for Michigan was passed in 2017 ... the Michigan Legislature couldn’t have known the initiative would play a role in fighting a

deadly pandemic. When Pfizer invested in building a \$426 million manufacturing facility in Portage, bringing over 450 good-paying jobs to the state, the Michigan Strategic Fund awarded the company a \$11.5 million grant. Now, the facility manufactures Pfizer’s COVID-19 vaccine.”

A southwest Michigan representative for the group, whose territory includes the neighboring cities of Kalamazoo and Portage, did not respond to a request for clarification about what that assertion, given the status of the not-yet-built facility, was based upon. ■

*The original version of this story was posted online on Feb. 8, 2021 and is available at [MichCapCon.com/28508](https://michcapcon.com/28508).*

## Gas, Coal, Nukes Supply 88% Of The Power Keeping Michigan's Lights And Furnace Fans On



BY TOM GANTERT

In Michigan, 88% of the electricity generated by utilities and used to power homes and businesses was produced using one of three energy sources — natural gas (34.5%), coal (27.6%) and nuclear power (25.8%). The figure is for October 2020 and was published by the U.S. Energy Information Administration.

Hydroelectric power provided 1.3%, and intermittent renewables (wind and solar) provided 10.6% of the state’s net electricity generation. The Energy Information Administration defines net electricity generation as “The amount of

gross generation less the electrical energy consumed at the generating station(s) for station service or auxiliaries.”

Current Michigan law requires electric utilities in this state to get 15% of their electricity from renewable energy sources by 2022. Utilities have also made deals with billionaire activist Tom Steyer, agreeing to increase this share to 30% by 2030. Since then, Michigan’s two largest utilities have made additional commitments to go to net-zero CO2 emissions by 2040 and 2050. ■

*The original version of this story was posted online on Feb. 24, 2021 and is available at [MichCapCon.com/28556](https://michcapcon.com/28556).*

## WAGE EARNERS CRUSHED

from Page One

There appears to be a discrepancy in this story, however: While the private sector has suffered during the pandemic, many government and public sector employees appear to have avoided those financial setbacks.

Michigan Capitol Confidential has been collecting recent payroll data from a number of local governments. What stands out are the outsized pay increases enjoyed by many government workers, even as many of them are involved in clamping an ever-tighter lid on local business and commerce.

The struggles of the Plymouth ROC

Restaurant is one example of restaurants and bars in this state trying to avoid bankruptcy in an environment of lockdown orders.

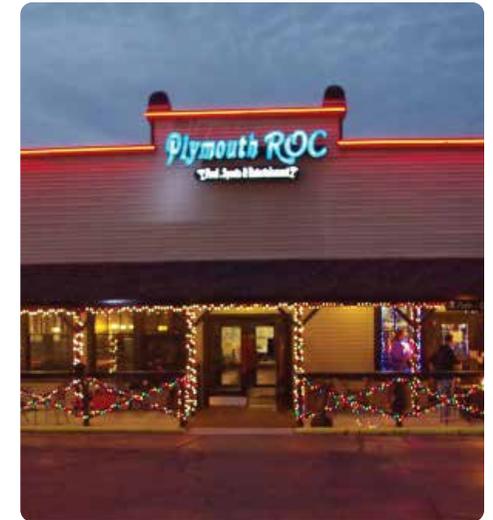
The establishment has been charged by the state of Michigan for engaging in “an illegal occupation or illegal act upon the licensed premises.” The illegal act of attempted self-preservation was in providing service to customers in an outside tent with four walls in the middle of winter. Under the fine print of the governor’s orders, the tent is classified as “indoors,” with service prohibited.

The enforcement action was no casual happenstance either, and was instigated by local officials, not state ones, after a complaint was filed. John Buzuvis, director

of community development for the city of Plymouth, visited the restaurant on Dec. 15 and Dec. 17. He took photos of the restaurant’s nonconforming tent. Those photos were used in the case against the restaurant. Buzuvis was asked to take the photos by Allen Cox, the city’s director of public safety, according to court documents.

Buzuvis had his gross pay increased from \$78,555 in 2019 to \$79,831 in 2020, a 1.6% increase. Cox saw his gross pay increase from 100,646 in 2019 to 104,313 in 2020, a 3.6% increase. ■

*The original version of this story was posted online on Feb. 3, 2021 and is available at [MichCapCon.com/28491](http://MichCapCon.com/28491).*



## ‘Betsy Ross’ Flags, Used At Biden Inaugural, Signaled ‘Exclusion And Hate’ at Michigan School Game



BY TOM GANTERT

At President Joe Biden’s inauguration on Jan. 20, five flags hung in the backdrop of the U.S. Capitol. Two of them were U.S. flags of the Betsy Ross style, with stars arranged in a circle.

When some Michigan students displayed the same flag at a high school football game in 2016, they triggered their district’s superintendent into publishing an open letter of apology. He said the flags had injected hate and hostility into a school event.

After the game, Forest Hills Public Schools Superintendent Daniel Behm wrote a “letter to the community.” In it, he said that “to some,” the historical version of the flag “symbolizes exclusion and hate, (and)

injects hostility and confusion to an event where no one intended to do so.”

Behm added an apology in the letter: “To our gracious hosts — the students, families, staff, and community of Grand Rapids Ottawa Hills High School and Grand Rapids Public Schools — and to the student-athletes, coaches, officials, and supporters of both teams, we are truly sorry. These actions are not characteristic of our schools, our staff, our students, or our community, and they represent a lack of knowledge.”

Forest Hills Public Schools said the students wouldn’t be disciplined for the Betsy Ross flag and the event “will be used as a teachable moment.” ■

*The original version of this story was posted online on Jan. 25, 2021 and is available at [MichCapCon.com/28461](http://MichCapCon.com/28461).*



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## COVID Shutdowns Weakened State Unemployment Fund

*Account balances on the brink, and a cash infusion means another hit to employers*

BY DAWSON BELL

Michigan's unemployment insurance trust fund is teetering on the brink of insolvency after nearly a year of exploding claim numbers related to state-ordered business closures in response to the COVID-19 pandemic.

State officials project the state fund, financed entirely by a tax on employers, will have sufficient cash to cover claims only through the first quarter of 2021.

This could force the state to seek federal loans to prop it up thereafter, said Michigan Chamber of Commerce Vice President Wendy Block, which would trigger punishing new levies on employers already struggling to stay afloat.

The situation could be made worse if state lawmakers approve a proposal, introduced

last month, to permanently extend unemployment benefit payments from 20 to 26 weeks, Block said.

"Where is the money to do that?" Block asked. "How can we do that when there is no money in the trust fund. We should be concentrating on measures to get people back to work."

Employers were already hit Jan. 1 by a state law provision that increased the amount they must pay into the unemployment payments. (This been levied against the first \$9,000 of an employee's wages; now it's against the first \$9,500).

Ironically, before the pandemic and government-ordered shutdowns, Michigan had recently emerged from an unemployment funding crisis that lasted nearly two decades.

Throughout most of the first decade of the 21st century, the state's high unemployment rates resulted in negative balances in the benefits trust fund and repeated federal borrowing.

The 2008-09 recession made the situation worse.

In 2012, several reforms to the system were enacted. These included reducing eligibility for benefits from 26 weeks to 20 weeks and borrowing \$3.5 billion to pay off the debt to the federal government. Gov. Gretchen Whitmer announced in Dec. 2019 that the debt had been retired, which also ended "insolvency tax" levies of \$65-\$217 per employee that employers previously had to pay.

By January 2020, the balance in Michigan's unemployment trust fund contained one of

the most robust balances in the nation, at over \$4.5 billion.

Then came COVID, massive shutdowns and an estimated 4.3 million unemployment claims submitted during the year.

Federal COVID relief funds covered much of the system's skyrocketing costs. But by December, the trust fund balance dipped under \$750 million.

Block said state officials should be wary of repeating the experience from Michigan's "lost decade" and the recession that followed.

"Once you start borrowing (to pay benefits) the situation can snowball very quickly," she said. ■

*The original version of this story was posted online on Feb. 13, 2021 and is available at [MichCapCon.com/28541](http://MichCapCon.com/28541).*



## 49% Of Charter School Kids Black; State Civil Rights Commission Says Fund Them At 75%

BY TOM GANTERT

Almost half of the 147,339 children attending Michigan charter schools in 2019-20 were black, a much higher proportion than in traditional public schools.

That's according to research done by the Grand Valley State University Charter Schools Office, which found 49.5% of charter school students are black. That compares to 14.1% in Michigan's conventional public school districts.

In 2020, the Michigan Civil Rights Commission compiled a report that recommended giving Michigan public charter schools — which enroll the highest proportion of black children — just 75% of the funding of the conventional schools whose enrollment includes a far smaller proportion of blacks. ■

*The original version of this story was posted online on Feb. 27, 2021 and is available at [MichCapCon.com/28610](http://MichCapCon.com/28610).*



## Fewer Teachers Get Required Assessments With COVID, But Results The Same

BY TOM GANTERT

In the 2019-20 academic year, local public school districts in Michigan completed just 45% of required annual teacher evaluations, due to the COVID-19 pandemic.

But not much had changed in the results. The evaluations that were completed still found that 99% of the state's teachers were grouped in the highest two of four categories — "very effective" and "effective."

Just 1% of the teachers were found to be "minimally effective," and the percentage of

teachers deemed "ineffective" was so small it was statistically the same as 0%.

In the 2019-20 year, Michigan public schools employed 104,658 teachers. Of these, 47,481 were evaluated. Of that group, 16,695 (35%) were graded as "very effective" and 30,191 (64%) were rated as "effective." Just 508 (1%) were found to be "minimally effective," and 87 teachers were rated as "ineffective." ■

*The original version of this story was posted online on Feb. 19, 2021 and is available at [MichCapCon.com/28595](http://MichCapCon.com/28595).*



# Very Big Raises For Some Rochester Schools Managers During Year of the Coronavirus

BY TOM GANTERT

Top officials at Rochester Community Schools in Oakland County enjoyed significant pay increases in 2020, a year when private businesses were closed by government order during the coronavirus pandemic.

Robert Shaner, superintendent of the school district, saw his gross pay increase from \$233,771 in 2019 to \$261,263, a \$27,492 increase or 12%.

Debra Fragomeni, an assistant superintendent, received a 9% gross pay increase, from \$159,933 in 2019 to \$173,550 in 2020.

Elizabeth Davis, the chief human resources officer, had her gross pay increase 7% to \$169,818 in 2020.

Carrie Lawler, an assistant superintendent, received a gross pay increase of 10%, taking her pay to \$163,363 in 2020.

Lori Grein, executive director of strategic communications, said the pay increases

came prior to coronavirus pandemic in 2019.

“In referencing compensation without regard to the pandemic: With more than 15,000 students and 1,800 employees and contractors, the Rochester Community Schools is one of the largest school districts in Michigan,” Grein said in an email. “Compensation of district employees aligns with those across the state.”

Grein’s gross pay increased from \$113,360 in 2019 to \$121,014 in 2020, a 6.75% raise.

Michigan Capitol Confidential is reviewing the salaries of public sector employees across the state.

The gross pay records of school employees come from the state’s Office of Retirement Services.

In 2020, many private sector employees lost their jobs as the state government shut down many businesses due to the pandemic. In May, Gov. Gretchen Whitmer told residents, “We’re all in this together.”

But many people employed by the

government in Michigan felt no financial effects, according to salary records received in response to Freedom of Information Act requests. The public salary records for school districts show gross pay, which includes all forms of compensation.

Other Rochester school district employees flourished in 2020, even though the school district was closed for part of the year due to the pandemic.

For example, Robin Carter-Cooper was the executive director of instruction equity at Rochester Community Schools. She enjoyed a 40% compensation increase, from \$90,249 in 2019 to \$126,672 in 2020.

Carter-Cooper left the school district to become the chief diversity, equity and inclusion officer for Oakland County in July.

The employees mentioned here are in the district’s management and not covered by collective bargaining agreements negotiated with teacher unions. Those contracts prescribe pay scales that reach a maximum level after a specified number

of years on the job. This sometimes leads to complaints about stagnant salaries for instructors who have reached that level.

These individuals can still earn more though. The union contracts also prescribe pay rates for accepting optional duties and responsibilities. For this reason, even the district’s unionized staff gross pay can vary greatly from year to year.

According to the teachers union contract, the top of scale’s base salary was \$93,113 in 2019-20. One teacher, however, made \$106,054 in 2020, in part by coaching the district’s sports teams.

A high school gym teacher who also coached was able to increase his gross pay from \$91,423 in 2019 to \$114,389.

Coaching jobs at the school district pay as much as \$6,400 a sport. ■

*The original version of this story was posted online on Feb. 23, 2021 and is available at [MichCapCon.com/28558](https://michcapcon.com/28558).*



## MichiganVotes.org

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

### Senate Bill 42

#### Give tax breaks for agri-tourism

Introduced by Sen. Roger Victory (R)

To establish that a building on a farm used for agricultural tourism activities during part of the year is exempt from certain building code provisions if the tourism revenue is less than half the total farming revenue.

### Senate Bill 59

#### Require merchants accept cash in face-to-face transactions

Introduced by Sen. Sylvia Santana (D)

To define refusing to accept cash in a face-to-face retail transaction as an "unfair trade practice" under the state consumer protection act.

### Senate Bill 64

#### Mandate corporate board female membership quota

Introduced by Sen. Sylvia Santana (D)

To mandate that publicly-held corporations (those that have sold stock to the public) must have a specified number of females on their board of directors. If the board contains four members the bill would mandate that at least one would have to be female, or two females on a five-member board, or at least three females on a board with six or more members.

### Senate Bill 117

#### Change state contract rules to give "do-over" to losing state-based bidder

Introduced by Sen. Jim Ananich (D)

To permit but not require officials to not award state contracts for goods and services to the lowest bidder that is not a Michigan-based company, unless bidding is reopened for seven days to give state-based firms that submitted higher bids another chance.

### House Bill 4022

#### Require state agencies post employee salaries and benefits

Introduced by Rep. Ryan Berman (R)

To revise the information that must be included in a 2016 law that requires each state department to provide information to be posted on a state website showing each agency's organizational staffing chart. The bill would require this to include the position title, salary and benefits for each employee, but not their names.

### House Bill 4098

#### Replace term for "prostitute" in state statutes

Introduced by Rep. Tenisha Yancey (D)

To replace the terms "prostitute" and "prostitution" in the state penal code with "commercial sexual activity." This is one of 13 bills making the same change to different statutes.

### House Bill 4124

#### Mandate touch-free fixtures in state government buildings

Introduced by Rep. Stephanie Young (D)

To mandate that new construction in state buildings must include touch-free faucets, touch-free toilet handles, and the ability to open doors without touching with hands.

### House Bill 4165

#### Let tractors cross Mackinac Bridge if fast enough

Introduced by Rep. Steven Johnson (R)

To allow tractors and farm equipment to cross the Mackinac Bridge if they can get up to and maintain the minimum required speed.

### House Bill 4218

#### Let multistate lottery winner remain anonymous

Introduced by Rep. Pat Outman (R)

To allow the winner of a multistate lottery game to remain anonymous.