

MICHIGAN AFSCME COUNCIL 25

LEGISLATIVE REPORT

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WHEN WE FIGHT WE WIN – AFL-CIO CITIZENS LOBBYISTS

PLEASE HELP IDENTIFY MEMBERS OF YOUR LOCAL AND OTHER LOCALS IN YOUR REGION WILLING TO ASSIST WITH OUR WEDNESDAY CITIZEN LOBBYISTS EFFORTS. THIS WILL GO A LONG WAY IN REBUILDING THE LABOR MOVEMENT.

Contact me with the names and contact information of members willing to volunteer.

SENATE AND HOUSE BATTLE OVER DETROIT PUBLIC SCHOOLS

Governor Snyder has made proposals which mirror many of the recommendations of the Coalition for the Future of Detroit Schoolchildren in a different fashion. Most of his proposals are proposals AFSCME can work with. Similarly, the Senator Geoff Hansen (R-Hart) has introduced a package of bills which also closely mirrors a number of the Coalition recommendations. Sen. Hansen addresses three of AFSCME's four most critical concerns. Those concerns are:

- Protection of our members' employment, contracts and representation as they move to any new "employer";
- Return of local democracy through empowerment of a locally elected school board;
- State assumption of the debt created by state control of DPS;
- Local control over placement of charter schools and decisions concerning failing schools that are applied equally to traditional and charter buildings.

Sen. Hansen's package addresses all of these concerns. The issues addressed in Sen. Hansen's package are time sensitive and critical. His proposal passed the House with bipartisan support.

The House sent over a very different package of bills that looks more like an effort to punish employees and shaft blame from the Emergency Manager than an attempt to fix the problems state control of DPS has generated.

The House package would:

- Specifically provide that the new Detroit Community School District is NOT a successor employer. While transferring all other assets and liabilities from DPS to DCS, collective bargaining agreements would specifically not be transferred. Teachers and support personnel would be transferred without their contract or seniority. Administrators would not be guaranteed a position and would have to apply for their jobs.
- The return to local democracy through a locally elected school board would be delayed for an additional year;

A more complete analysis of the House plan is attached.

LEGISLATURE BALKS ON ASSISTANCE TO FLINT

The Senate does better but both the House and Senate budgets underfund the needs of the City of Flint resulting from the decision of the Gubernatorial Appointed Emergency Manager to fail to treat for corrosion control Flint River water. The impact on Flint's water supply continues to show lead levels at high levels in some parts of the city.

The fact of the matter is that Flint is and was under the control of a State-appointed Emergency Manager who made the decision to switch from Detroit water to Flint River water without adding the critical anti-corrosive agents necessary to prevent lead from leaching into the City's water supply. The Emergency Manager defends himself by insisting that it would be too costly to keep buying Detroit water during the transition to a new water authority KWA which is still about a year from completion. But he fails to tell you that at the time the Detroit Water system was under the control of another Emergency Manager appointed by Governor Rick Snyder! He then tells you that it was on the advice of the Department of Environmental Quality (also under the jurisdiction of appointees of Governor Rick Snyder) that he failed to add anti-corrosives to the River water. Anti-corrosives have always been included in Detroit water and in Flint River water whenever it had been used in the past. DEQ is responsible for assuring safe drinking water under both state and federal law.

Anyway, the Governor deflects blame to the federal EPA who warned the DEQ that they needed to add those corrosives but are apparently in his mind equally culpable because they didn't complain loud enough when DEQ ignored them.

As none of that is selling well with Michigan residents, the Governor and his supporters now try to deflect blame to the State Civil Service. Civil Service, the argument goes, makes it too hard to fire workers who fail to tell the Governor when things are going wrong. The Governor has long been after any protections that prevent him from moving state dollars from professional state employees to his corporate friends. He has used privatization/outsourcing schemes and has virtually shut down any ability for Civil Service rule review. He even proposed eliminating civil service all together during the tumultuous 2012 lame duck session. It's too hard to terminate ineffective employees? The Department never requested any terminations until after the fact. And the decisions were made at the top not by the lower level civil servants some of whom tried to voice their concerns.

Speaker Cotter and House Republicans are now talking about further cutting funds to fix the mess the State created.

COTTER PROPOSES GUTTING OF CIVIL SERVICE

Speaker Cotter has announced a plan to shift blame for the disastrous policies adopted by the Legislature and implemented by Governor Snyder to state employees. Arguing that state employees cannot be fired or disciplined with sufficient ease, the proposal would allow State Department Directors to fire or discipline employees for "conduct that directly and negatively impacts the Department's ability to accomplish its statutory duties in a fair, timely, equitable, and transparent manner." A grievance procedure would be determined by law and is specified in companion legislation. While departmental action could be appealed to the Civil Service Commission the Commission could only overturn the decision if it determined the action to be arbitrary or capricious.

I have attached the entire House Republican press release (which I find to be one of the most insulting documents I have ever read by a legislative caucus).

HEARING BUT NO ACTION IN HOUSE ON BI-PARTISAN PACKAGE ON ACCOUNTABILITY AND TRANSPARENCY IN STATE CONTRACTS

The 6 bill bipartisan package of “State Contract Sunshine” bills based on recommendations of the national In The Public Interest organization and our own experiences saw a hearing last week. Rep. Ed McBroom was successful in getting the House Government Operations Committee to hold the hearing after failing to get the bills referred to the House Oversight and Ethics Committee which he chairs and where legislation already introduced by Rep. Sherry Gay-Dagnogo (D-Detroit) had previously been referred.

The group of six bi-partisan sponsors (3 Democrats and 3 Republicans) did an outstanding job in making the case for this legislation designed to bring some transparency and accountability to the state personal service contract system. But it was clear that Chairperson Jacobsen was prepared to lead the charge against the package. Though he had to strain to do so, he continually raised objections.

The Michigan Press Association did, however, take a position of support for the package.

A TALE OF TWO CITIES – IT WAS THE WORST OF TIMES – IT WAS THE WORST OF TIMES -- FOR BOTH

Emergency Manager Law to Blame for DPS and Flint Problems

Though the Governor and the Legislative majority stubbornly continue to admit the dangers evident in putting all power in the hands of one unelected, unaccountable, non-resident over a local unit of government, others are beginning to see the trouble inherent. The Nation’s Founders recognized the dangers of tyranny and set up a government with separation of powers based on the theory that checks and balances would be the best way to avoid both mistakes and abuses of power.

If we ever needed to be reminded of this basis national principal, the Flint water crisis and the deplorable conditions in the Detroit Public School systems has done the job.

A number of bills have been introduced in both the House and Senate to either reform or repeal Michigan’s Emergency Manager Act. In a recent meeting, the Chief of the Governor’s Strategy Office conceded that we may need to have a discussion on the issue.

One of the biggest problems with the Emergency Manager law is the suspension of the PERA requirement to negotiate in good faith with labor unions representing employees of the local unit of government involved. Both sides are hurt by this absurd provision. The Manager is deprived of the insights of those most impacted by his/her decisions and workers have unable to address their legitimate grievances.

Members of the Special Joint Committee on Flint Water Oversight have raised the issue of Emergency Manager excesses repeatedly. Rep. Jeff Irwin and Rep. LaTanya Garrett are pushing for reforms. Rep. Irwin is a member of the Flint Committee and, along with Sen. Jim Ananich are looking for a way to make recommendations on the issue in the committee report. If they are not successful with the Republican majority, expect to see a minority report.

In addition, a new Urban Caucus in the House has made the issue a top priority.

Veterans and Corrections Officers see Conditions Worsen Thanks to Outsourcing

The Legislative Auditor General has issued a scathing report on conditions at the Grand Rapids Veterans Home, much of which can be traced directly back to the outsourcing of residential care aide positions in 2013. The findings were met with pretend surprise by legislators who have been hearing of these concerns from Labor and GRVH member residents for years.

Similarly, recent reports from MCO and a new report of focus groups by Prof. Roland Zullo of the University of Michigan reports that outsourcing at Michigan Correctional systems have resulted in growing security threats. The Department has discounted these reports as the ramblings of disgruntled employees even though in recent months prisoners at three institutions have organized food strikes. MCO has raised concerns that if prisoners can organize an entire institution to refrain from eating for an entire day, what other things can they organize?

COALITION FOR SECURE RETIREMENT GIRDS FOR FURTHER ATTACKS ON PUBLIC PENSIONS – SEEKS TO BROADEN COALITION

As the Legislature and employers continue to maliciously attack the dignity of retirees by striking at pensions and retiree health care, the Coalition for Secure Retirement has begun to redouble its efforts to bring the dangers these actions pose to the attention of the public. The Coalition has put on a new in house public relations staffer and CSR will bring a change to their bylaws expanding its mission to local public sector retirement systems. It is clear that pension opponents are going after local government employees as well as statutory pension plans and that this is a natural coalition.

AFSCME is a founding member of the Coalition for Secure Retirement and I have the honor of currently serving as its President.

SENATE BILLS 279 AND 280 SLOW IN HOUSE BUT STILL A THREAT

Rep. Joseph Graves, Chairperson of the House Commerce and Trade Committee, has indicated that he does not expect to consider Senate Bills 279 and 280 which place limits on MPSERS retirement and ban employer reimbursed union leave time in February or March. But, though he acknowledges he has not had any pressure to take up the bills (and lots not to do so) has not given any assurances that the bills are dead.

ELECTIONS HAVE CONSEQUENCES – AND THE HITS JUST KEEP ON COMING

Anti-Labor legislation still pending:

- A bill to allow young adults to be paid a sub-minimum wage of 85% of the state minimum wage or the federal minimum wage whichever is greater remains on the Senate Floor.
- Legislation designed to give surplus money in the Unemployment Trust Fund resulting from decreased unemployment benefits to employers.
- Legislation designed to circumvent a recent NLRB ruling returning to pre-Reagan era recognition of joint employers for collective bargaining purposes
- A budget proposal to close two prisons and lease space from the Baldwin site owned by GEO. GEO is the private prison king that ran the failed Youth Boot Camp at the Site. While not strictly a privatization proposal – the leased portion of the GEO facility would be run by state employees – the foot in the door approach is likely a backdoor effort to privatization.

SENATE AND HOUSE BATTLE OVER DETROIT PUBLIC SCHOOLS

AFSCME Council 25 represents about 750 DPS employees who provide food services and critical assistance for special needs students in the classes and on buses. More than 15,000 AFSCME members live in the city of Detroit many of whom have children who attend DPS schools.

Through President Keith January of Local 345 and a member of the Executive Board, we participated in the Coalition for the Future of Detroit Schoolchildren and AFSCME fully supports the recommendations of that stakeholder task force.

The state management of local units of government has not been successful and Detroit Public Schools is a clear example of that. It is time to restore local control. The State of Michigan needs to partner with local governments not punish them. Only by restoring this necessary balance will we be able to assure quality in the services that our members struggle to provide to the people we all are committed to serve.

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It is only this last issue that Sen. Hansen's package fails to address. While it would be preferable to deal with these issues now, the three issues addressed in Sen. Hansen's package are time sensitive and critical.

While there seems to be general agreement among Senators, Representatives and the Governor (with relatively minor differences) on the three points listed above, other issues, egos, and more have become major barriers to movement.

Many interests are reluctant to wait on addressing the charter school problem.

But most concerning is that the House Republicans are pushing additions to any package that are anathema to our major concerns. Here are just a few:

- The House Republicans insist on adoption of draconian punishments for strikes. Even though current law outlaws strikes and provides for strict penalties, the House wants blood for the teacher "sick-out" that proved to be more of a whistle blower action than a strike. Deplorable conditions in many DPS buildings finally got attention and are finally being addressed though class size issues remain unresolved. The new provisions (some of which would apply to all public sector employees, some to only public school employees and some to only DPS employees) include:
 - A shortened period of 2 days (from the current 60) for MERC determination of whether or not a work stoppage constitutes a "strike" under the law
 - Decertification of any union whose members engage in a strike (authorization appears not to be required) and banning that union from being chosen as the exclusive bargaining representative for 5 years
 - 2 year to life loss of teacher certificate for a teacher who engages in strike activity
- Other House Plan provisions include:
 - 8 year delay in return to a fully elected board of education
 - Allow only tier 2 (401K type plan) membership in MPERS for new hires in the Detroit Public School system

AUDITOR GENERAL SHOWS DAMAGE DONE BY PRIVATIZATION AT GRAND RAPIDS HOME FOR VETERANS

The Michigan Legislative Auditor General has confirmed what Michigan AFSCME has been saying for five years. The outsourcing of Residential Care Aides at the facility has resulted in substandard care to Michigan veterans housed at the facility. The denials of the leaders in the Department has led to removal of key personnel who not only refused to admit any problems but were caught red handed falsifying reports and failing in their own basic responsibilities.

The February performance audit report outlined a number of "material conditions" (the most serious violations) which could "impair the ability of management to operate a program in an effective and efficient manner." Sub-standard conditions identified in the audit include:

- 43% of resident location checks and 33% of fall alarm checks did not occur when records submitted by the home falsely indicated that the checks occurred 100% and 96% of the time were compared to video surveillance taps.
- The contractor did not meet minimum staffing requirements **81% of the time**, with shortages of staff as high as 22 people on a given day.
- The privatized contractor failed to develop, execute and monitor comprehensive care plans, not meeting timely requirements 25-59% of the time.
- The contractor did not establish adequate control over pharmaceutical insurance billing, running the risk of losing eligible insurance reimbursements of \$883,700. - The contractor did not track or properly investigate resident complaints, including allegations of abuse and neglect.

A unique joint meeting of four separate legislative committees met to discuss the audit March 3rd. Committees taking part in the hearing were the House Oversight and Ethics Committee, the House Military and Veterans Affairs Committee, the Senate Oversight and Senate Veterans Committee, and the Military Affairs and Homeland Security Committee. The Committees heard a presentation from the Auditor General's office and from the Veterans Affairs Agency. The new leadership promised to "fix" the problem but gave little detail on how. More hearings of individual committees and Appropriations subcommittees are expected.

Our first order of business must be to help restore a healthy water system to the people of the City of Flint. But we must then go on to hold those accountable and to do what an increasing number of legislators are demanding – repeal PA 436 of 2012 – the Emergency Manager law.

ATTACHMENTS

See attached.