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BIG THREE U'S GET MORE UNDER COMPROMISE HIGHER ED BUDGET

Michigan's Big Three universities would receive 2 percent more funding during the 2006-07 fiscal year, matching the fiscal proposal made by Governor Jennifer Granholm, under a compromise higher education budget the Senate unanimously passed Wednesday.

The compromise version of <u>SB 1088</u> also includes additional funding for four smaller universities to help raise their minimum per student expenditures. <u>Sen. Deborah Cherry</u> (D-Burton), who sponsored the compromise, said it melded the proposal originally made by Ms. Granholm and the version that was reported from the Senate Appropriations Committee.

The budget also includes a requirement that all 15 public four-year universities in Michigan report to the Legislature on how much of their research is put into commercial use. Senate <u>Majority Leader Ken Sikkema</u> (R-Wyoming), sponsor of the amendment, said the report would help the state know how much research done by the universities promotes economic development in Michigan.

The budget totals \$1.777 billion, \$1.617 billion in general funds, which with the compromise proposal is more than \$5 million over the version the Appropriations Committee approved.

The budget includes full funding for the tuition grant, the state scholarship that is paid to students of private schools. Ms. Granholm has attempted in each of her budgets to either eliminate the funding or combine it with another program, and legislative Republicans have each time restored it.

In her original proposal, Ms. Granholm had called for a 2 percent increase for the University of Michigan, Michigan State University and Wayne State University. For the remaining 12 schools, she had proposed a straight 1 percent increase with other funding based on a series of factors including graduations and school population.

In the committee, the budget was changed so that all schools got a 1.8 percent increase except for Central Michigan University, Grand Valley State University, Oakland University and Saginaw Valley State University that were all increased at a higher level to bring them a basic floor level of funding per student.

But the chamber agreed to the compromise that added \$5 million to the basic university appropriations. In addition to UM, MSU and WSU getting the additional 2 percent, Central will get 2.2 percent more, Oakland 4 percent more, Saginaw Valley will get 6.1 percent, and Grand Valley will get 7 percent more.

The remaining eight universities will all get an additional 1.8 percent in funding over the current year.

The Senate also adopted a 2 percent increase to the Agricultural Experiment Station at MSU.

HOUSE PASSES COMPROMISE ON HIGH SCHOOL CURRICULUM

Going into the night Wednesday, the House with passed a set of high school graduation standards that include requirements for Algebra II and foreign language, but also allows for students to opt-out or receive credit for those classes toward graduation if they've been completed before high school.



The House adopted the conference report to $\underline{\text{HB 5606}}$ on a vote of 97-9, setting up the high school standards, and sent the bill to the Senate for approval – summing up the Legislature's goal of finishing the standards by the legislative spring break.

That bill, along $\underline{SB \ 1124}$, was reported earlier in the day by a conference committee. The Senate will act on the bills on Thursday.

The curriculum will make Michigan's one of the most stringent in the nation.

The legislation provides for a mandate that students take four credits of English; four credits of math, including Algebra I, Algebra II, Geometry (or any integrated course that embodies all three classes) and an additional math course (at least one math credit would be taken in the senior year); three credits of science (with the Legislature strongly supporting a fourth-year class); three credits of social science and two credits of foreign language, which could be obtained anytime before the high school level and starting with the class of 2016 (3rd graders in 2006). The proposal also calls for students to complete one credit of health and physical education and one credit of visual, performing or applied arts.

A test-out option would exist for students to earn the graduation requirements if the test is developed by the Department of Education or local school district.

Students would be able to take a personalized course of study under the legislation, but the conference report does not specify what grade level would have to be achieve to opt-out.

Modification of the math standard would require a student has already completed 2.5 years of math, will complete a total of 3.5 credits of math and will take math in the senior year. The requirement to take Algebra II could only be changed if a student has already successfully completed a semester of the course, a student has successfully completed Algebra II over two years or a student is enrolled in a career and technical education course that is considered to be the same content as a semester of Algebra II.

Students could also take a personalized approach to social studies if they have completed two credits and will take another math, English, foreign language or science course. For health/physical education and the arts requirements, students could opt out of those in exchange for another math, English, foreign language or science course.

The standards for course curriculum would be created by the Department of Education, with the approval of the State Board of Education for the first subject area's expectations and guidelines by August 1. Subsequent course expectations would be required to be completed one year before implementation, although the requirements would first apply to the high school class of 2011.

Districts would be required to have highly qualified teachers to the extent required under the No Child Left Behind Act, although districts that cannot meet the requirement could work with the department to create a plan for hiring. The Superintendent of Public Instruction also would be able to designate up to 15 high schools as "specialty schools," which would be exempt from some of the graduation requirements in exchange for meeting other rigorous outcome standards.

The legislation also calls for the department to report each April on the status of the implemented requirements.

There was no debate on the bill, but House Education Committee Chair <u>Rep. Brian Palmer</u> (R-Romeo) thanked his colleagues for working on the bill, which was returned with claps from members. "Whether students are going to college or into the work force, Michigan graduates need to be known for their strong skills in math, science and English to be able to compete."

In a release, House <u>Speaker Craig DeRoche</u> (R-Novi) said, "These new requirements will undoubtedly be challenging for students and educators, but they are essential to making our state a magnet for the industries that create the high-paying jobs our economy needs."

When the bills came out of conference Senate <u>Majority Leader Ken Sikkema</u> (R-Wyoming), who sat on the conference committees, said it was a curriculum that will help prepare Michigan students for the "higher order thinking skills" that will be required in future employment.

It also tells the students that state government believes in them, Mr. Sikkema said.



Granholm spokesperson Liz Boyd said the agreement on the curriculum is a "giant step" toward improving the quality of the state's workforce. "It is an agreement that will mean great things for Michigan students and great things for Michigan's economy. Michigan needs the best educated workforce in the country for it to succeed economically," she said.

Those voting against the legislation were <u>Rep. Stephen Adamini</u> (D-Marquette), <u>Rep. Bruce Caswell</u> (R-Hillsdale), <u>Rep. Bob Gosselin</u> (R-Troy), <u>Rep. Roger Kahn</u> (R-Saginaw Twp.), <u>Rep. Kevin Green</u> (R-Wyoming), <u>Rep. Morris Hood III</u> (D-Detroit), <u>Rep. John Moolenaar</u> (R-Midland), <u>Rep. Tom Pearce</u> (R-Rockford) and <u>Rep. <u>Rick Jones</u> (R-Grand Ledge). <u>Rep. Rich Brown</u> (D-Bessemer) was absent from voting.</u>

TEACHER CONVICTS: Teachers with criminal convictions would still end up on a list in the superintendent's office, but that list would have to be more accurate than it was in prior iterations and only felony convictions or certain sex-related misdemeanors could be released publicly under the <u>conference report</u> on <u>HB</u> <u>5675</u>, which was passed by the House unanimously.

"It's important that people realize that the purpose of FOIA is for government transparency. It's not for spying on your neighbors," said <u>Sen. Alan Cropsey</u> (R-DeWitt) on approving the conference report earlier in the afternoon. "I think this conference report strikes a very good balance between protecting people's privacy and maintaining the transparency we need in government," he said.

"It came out pretty close to what we thought would work," said Al Short with the Michigan Education Association, one of the key critics of the current version of the law. "What we need is some corrections down the road."

The bill now requires the Department of State Police to ensure, to the best of its ability, the accuracy of the list before it sends it to the Department of Education and requires the latter department to make the same efforts before sending it to districts.

The bill also specifies that the State Police use the Internet Criminal History Access Tool to compare the list of current school employees to the state's criminal records.

Mr. Short said the MEA is now working to add \$17 million in the school aid budget to have all school employees subject to the criminal history checks fingerprinted. He said that would ensure the accuracy of the lists.

Current law provides all new school employees be fingerprinted.

D.E.Q. TRASHED BY SENATE IN ADOPTING BUDGET

A "Gestapo"-like Department of Environmental Quality, whose director and employees "lack integrity", "lie", and are "arrogant", and which is "killing jobs all across the state" was thoroughly trashed by the Senate Wednesday as the chamber passed the 2006-07 budget for the department.

Despite festering outrage at what Senate Republicans repeatedly called a "department run amok," the chamber approved $\underline{SB\ 1086}$ on a 36-2 vote.

The verbal bloodletting occurred as part of an amendment that was eventually withdrawn before a vote, but would have stripped \$8.9 million out of the department.

The budget totals \$372.1 million, \$32.9 million in general funds.

<u>Sen. Michelle McManus</u> (R-Lake Leelanau) said she understood the feelings of Senate members, but that she was working with the department to improve its customer service attitudes.

<u>Sen. Alan Cropsey</u> (R-DeWitt), who was one of the harshest critics of the department, wished her good luck, and said in contrast to the director of the Department of Corrections, who has always been willing to meet with him, he has not had success getting DEQ Director Steve Chester to meet with him.

Robert McCann, spokesperson for DEQ, said the department has always been ready to work with a legislator on a specific issue.



But the comments made "have to no basis in reality," he said. "They are not appropriate and certainly not true."

<u>Sen. Valde Garcia</u> (R-Howell) sponsored the amendment that would have cut the department's funding and outlined three specific instances where he said the DEQ would have had delayed development, cost money or forced a business to close.

Mr. Cropsey called the department "a job killing department. It's time this department was held accountable for its misdeeds."

In the Appropriations Committee, Mr. Cropsey had won approval of an amendment that would have directed the department to pay the \$50,000 cost of building a septic field for his church. That amendment was withdrawn on Wednesday, but Mr. Cropsey said it was an example of how the department had overstepped its bounds.

<u>Sen. Mike Goschka</u> (R-Brant), while not endorsing the amendment to cut \$8.9 million, said the department "has carried itself in a Gestapo-like fashion." Mr. Chester and department employees "are without integrity." It was time the department started to listen to the public, he said.

That drew a defense from Senate Minority Floor Leader <u>Sen. Mark Schauer</u> (D-Battle Creek), who demanded to know in what ways the department had behaved like the Gestapo.

And <u>Sen. Nancy Cassis</u> (R-Novi) said trying to reach the department could be done better through a hand outstretched than through a "budgetary hand grenade."

CORRECTIONS: The budget in <u>SB 1084</u> totals \$1.947 billion, all but \$87 million of it in general funds.

The Senate adopted an amendment tacking a 35 percent surcharge onto all purchases prisoners make in a prison store, an attempt to raise enough money to finance a new State Police trooper school.

FURIOUS DEBATE MARKS SCHOOL AID BUDGET PASSAGE

A \$100,000 amendment in a more than \$13 billion budget engendered furious and emotional debate in the Senate Wednesday as the chamber passed the K-12 School Aid budget, <u>SB 1095</u>, on a 32-6 vote.

Democrats saw the amendment to swap \$100,000 from a Sisters of Mercy education program in Detroit to a new pre-engineering program in Kalamazoo as mean-spirited political payback, and <u>Sen. Irma Clark-Coleman</u> (D-Detroit) said she would be on Detroit radio in the morning to tell that city "how mean and despicable" legislators were to the city.

Senate Appropriations Committee chair <u>Sen. Shirley Johnson</u> (R-Troy) acknowledged on the floor that the amendment was drafted because the committee had added the Sisters of Mercy amendment for <u>Sen. Martha</u> <u>Scott</u> (D-Highland Park) and then she had voted against the bill in committee.

The amendment initially failed, but then passed 21-17 on a record roll call vote. <u>Sen. Bruce Patterson</u> (R-Canton) joined Democrats opposing it.

Ms. Johnson got into a bit of a verbal sparring match herself with <u>Sen. Nancy Cassis</u> (R-Troy) over an amendment to set up funds to track underachieving at-risk children in the youngest grades.

Ms. Cassis said Ms. Johnson did not have the background to assess at-risk children, and Ms. Johnson said that while she was not a school psychologist she had grown up an at-risk child in the south side of Chicago.

Ms. Cassis later praised Ms. Johnson for her leadership.

The budget totals \$13.033 billion, the largest budget in the state, and is 2.6 percent larger than the current year.

The main feature of the budget is a \$225 increase in the basic per pupil allowance, boosting it to \$7,100 per pupil.



Governor Jennifer Granholm had also proposed boosting the per pupil allowance to \$7,100 but in two stages. She had called for an additional \$25 per pupil during the current year and then a boost of \$200 for the next fiscal year.

But it was the \$100,000 amendment that set off the firestorm of outrage from Detroit members. The money would be shifted to create a pre-engineering program similar to that in Detroit and Grand Rapids for students in Kalamazoo.

In doing so, <u>Sen. Hansen Clarke</u> (D-Detroit) said the amendment would destroy the Sisters of Mercy program and wreck the hopes of many older women who have returned to school. He said just the night before he had visited the program and had met a 69-year old woman who was getting her graduate equivalency degree.

Ms. Scott said if the Kalamazoo program was worth doing then the money should come from someplace else. "It's time to stop doing this to Detroit. You made it the poorest city in the nation."

And Ms. Clark-Coleman said Republicans "like to turn the screw and smile about it. ...Shame on you, shame, shame, shame."

P.E.O.'S COMPLAIN OF BEING SINGLED OUT IN S.U.T.A. CASES

Professional employer organizations, the businesses that provide personnel services to small and medium sized companies, told a House committee on Wednesday they are being harassed and are facing unfair penalties by the state as it attempts to clamp down on what officials estimate is some \$40 million a year in lost revenue to the state unemployment system.

The organizations, in testimony to the House Employment Relations, Training and Safety Committee, disputed the estimates of lost unemployment revenues from what is known as SUTA dumping and urged the Department of Labor and Economic Growth to more closely follow the law and changes enacted last year as well as provide greater clarity to businesses on how to comply with the law.

Gregory Packer, who heads a Southfield PEO and is president of the Association of Michigan PEOs, said the businesses are as committed as anyone to halting SUTA dumping and said they actually improve the system by providing better efficiency in complying with the law.

"In the past 18 months, I have observed the agency as it has audited, harassed and vilified virtually every PEO that I know," Mr. Packer said. He said the theory of a PEO loophole has several flaws, such as companies having to pay more in PEO fees than they would save in unemployment taxes. "The best way to achieve support from PEOs and the rest of the employer community is to provide transparency regarding ongoing problems," he said.

He said claims of the system losing nearly \$40 million annually through SUTA (state unemployment tax assessment) dumping are highly suspect given that would mean PEOs handling another 66,660 employees every year who are coming from high unemployment tax companies.

In addition to overpayments, Mr. Packer said the state could look at other changes, such as raising the maximum tax on businesses with relatively high benefit payouts since their taxes do not cover those payments

And Sherrill Wolford, a Dykema Gossett attorney representing PEOs, said they are being unfairly singled out for penalties by the state and complained that the Unemployment Agency is ignoring existing law to pursue policies it thought should have been enacted last year, such as alleging violations when use of a PEO results in a lower unemployment tax rate, rather than as the law states that it was done with the intent of lowering the tax.

She also said the state is retroactively applying some changes in the 2005 law, which would violate constitutional provisions by making illegal actions which were legal at the time. "Going after PEOs with the threat of huge fines and fraud penalties undermines confidence of business in Michigan," Ms. Wolford said.

<u>Rep. Bob Gosselin</u> (R-Troy), chair of the committee, said PEOs do not have clear guidance from the state on how they can comply with the law.

DLEG Deputy Director David Plawecki, expanding on information provided to the committee last week regarding enforcement, said current enforcement actions are based on the prior law and the state sharply reduces or eliminates penalties on employers who voluntarily step forward to comply with the law. He said the Unemployment Agency is cracking down on actions that were illegal even before last year's changes, but said a loophole still exists allowing companies to use PEOs as a means of reducing their unemployment tax obligations.

Although the law does prohibit businesses from transferring employees to a PEO for the purpose of gaining lower unemployment taxes, Mr. Plawecki said a loophole exists by the fact that regardless of intent, a company is able to lower its tax obligation by using a PEO or another business which has a lower tax rate because of a better history regarding payment of unemployment benefits.

<u>Rep. Leon Drolet</u> (R-Clinton Township) challenged the state to pay as much attention to going after overpayment of benefits – which he said costs \$157 million a year – as a way of maintaining the integrity of the unemployment trust fund.

Mr. Plawecki said the Unemployment Agency is working on that as well, saying, "We are doing integrity efforts across the board. There have been substantial reductions in benefit overpayments." He said the number of errors has been cut in half over the past decade.

DEMS, LABOR CALL FOR DEBATE ON DRUG IMMUNITY

Labor advocates and Democrats stormed the sidewalks of the Michigan Chamber of Commerce Wednesday, saying that the organization has negatively impacted the debate in Lansing on the repeal of the state's blanket lawsuit liability for drug companies.

"Shame on the Chamber, the Chamber of Corruption," a group of 75 people chanted outside the building. Joined by people injured due to faults in prescription drugs such as Vioxx, AFL-CIO President Mark Gaffney said the Chamber's negative mailings to Democrats and one Republican lawmaker in the House over the drug immunity issue shows that the organization is engaged in "dirty politics."

"People of the state of Michigan send lawmakers to work to debate these kind of issues," he said.

House <u>Minority Leader Dianne</u> Byrum (D-Onondaga) said Democrats are not intimidated by the "big bucks" of the drug companies and the Chamber that is protecting them. "Only in Michigan to they have privileged status. We say that's wrong."

Ms. Byrum said besides allowing for victims of drug companies to seek retribution in court, the public also should be privy to study results on prescription drugs. "We will go down swinging."

While the rally did play host to a police cruiser stationed in the back of the Chamber parking lot, it did not turn out to be a word fight like that of Republican gubernatorial candidate Dick DeVos's spokesperson John Truscott and Michigan Democratic Party Chair Mark Brewer. The Chamber's public response came from than more than dozen yellow signs located throughout the property that read, "Less lawsuits=lower health care costs," and "Protect legal reform laws."

But the rally did debut the creation of Darth Vioxx, who was dressed up like Star Wars character, equipped with the mask, helmet, speaker box and a cape made of garbage bags. Coincidentally, the rally did allow for Ms. Byrum to argue that the Chamber also supports the importation of trash, but not the importation of prescription drugs at a lower cost.

Chamber President and CEO Jim Barrett released a statement in response to the rally, "The Michigan Chamber's mailings were a direct response to radio ads that were run in select House districts about legal reform in Michigan. Our mailings were intended to set the record straight and to explain the importance of this issue on Michigan's economy."

Mr. Barrett said that the campaign against the legislation will continue and that it's ironic that lawmakers, unions and trial lawyers are bent on discouraging business development and job creation while the state is in a "single state recession."



"The first phase of their plan is a direct attack on the pharmaceutical industry to undermine the U.S. Food & Drug Administration's lawsuit defense," he said. "The second phase is an attack on all regulated entities and professions with the introduction of a bill to expand the Michigan Consumer Protection Act. Other industries and businesses should be concerned because their products and services may be next if Rep. Byrum and her union and trial lawyer friends succeed."

<u>Rep. Kevin Elsenheimer</u> (R-Bellaire), chair of the House Tort Reform Committee, said that debate is occurring on the state's tort laws. "In a term-limited environment, people have to be educated as to what happened (when the reform laws were passed)."

The committee has devoted staff energy to thoroughly reviewing the issue and intends to bring some people from the FDA to testify before the committee, he said, adding that he hopes to deal with the drug immunity legislation before the summer.

"It doesn't make sense to quickly and abruptly change tort laws," Mr. Elsenheimer said.

DEM WEB AD CALLS DE VOS JOB CLAIMS 'LIES'

The state Democratic Party, which last week demanded Republican gubernatorial candidate Dick DeVos take down ads that say he created jobs at his former company, struck again Wednesday with a Web video ad calling those job creation claims lies. The party unveiled the new message in an e-mail to supporters seeking contributions so it can mount a counter television ad campaign.

The <u>Web ad</u> replays segments of one of the three DeVos ads that have run on television, challenging several statements, in particular noting that while Mr. DeVos says he is a job maker, he laid off more than 1,000 Michigan workers when he was head of Alticor. Other segments deal with the company's investments in China and the involvement of Mr. DeVos in politics.

In his fundraising appeal, Mr. Brewer wrote that claims by Mr. DeVos to be a Michigan manufacturer and job maker are the most offensive distortions in the ad. "I cannot underscore the importance in this election that we have a rapid, technologically advanced and well-funded response plan. We know that Dick DeVos is a billionaire, and, with these early ad purchases and slickly produced spots, he is sending a clear message that he will spend any amount of money to get elected. Michigan citizens deserve to know the truth about Dick DeVos," he said.

DeVos campaign spokesperson John Truscott said when Mr. Brewer is talking about liars, "he should look in the mirror. Any time he wants to bring up the issue of jobs which allows us to emphasize the jobs this governor has lost, that's a debate we're glad to participate in."

The campaign plans to continue running two spots, which are now in rotation at least two more days, and will then do its weekly evaluation of what to do next, Mr. Truscott said.

R.T.L. DROPS ZANDSTRA AS ENDORSABLE

Republican U.S. Senate Candidate Jerry Zandstra's endorsement of a proposed constitutional amendment to block all abortions and criticisms he leveled at Right to Life of Michigan has caused that anti-abortion group to drop him as meeting its endorsement criteria.

The organization sent Mr. Zandstra a letter on Monday saying he had violated a "basic tenet" of the organization's bylaws and no longer met its endorsement criteria. "We do not take this move lightly or without serious and thoughtful consideration," said the letter signed by Barb Listing, president of RTL and Paul Miller, chair of its political action committee.

Mr. Zandstra is one of three Republicans running for the nomination to challenge U.S. Sen. Debbie Stabenow (D-Lansing). The clergyman is running against the Rev. Keith Butler and Oakland County Sheriff Mike Bouchard.

While all three are anti-abortion, only Mr. Zandstra has endorsed the Michigan Citizens for Life petition drive to put into the constitution a provision that would allow all abortions except in the case of saving a mother's life.

That petition drive has also been endorsed by the Republican National Committeemembers Chuck Yob and Holly Hughes.

But RTL considers the proposal "deeply flawed" with the "potential to harm the very purpose for which it purportedly is meant to help: protection of the unborn."

Mr. Zandstra issued a statement saying he knew that the organization was considering dropping him as endorsement worthy when he informed them he was considering endorsing the proposal.

But by his decision, Mr. Zandstra said he has received thousands of dollars in new online contributions, gotten dozens of emails and calls of support as well as hearing calls for "creation of a new, more conservative, pro-life organization in Michigan."

A spokesperson for Mr. Butler refrained from commenting on the controversy other than saying, "This speaks for itself."

A spokesperson for Mr. Bouchard said anyone "who would challenge Right to Life's credentials is very mistaken." As an organization it has been vitally involved in the election of anti-abortion politicians, and Mr. Bouchard "values its counsel very much."

JUDGE CHALLENGING COUNSELING SENTENCE

36th District Court Judge David Bradfield is not contesting that he violated judicial ethics rules in two confrontations over parking privileges. But he will argue to the Supreme Court next week that it does not have the authority to order him to seek anger management counseling.

The case, *in re Bradfield* (SC docket No. 128843), is among six cases that will be heard Tuesday. The court has scheduled only one day for oral arguments next week.

Mr. Bradfield, who got in an altercation with a parking ramp employee over his own parking space and then with a Detroit deputy mayor over the latter's parking in a spot reserved for judges (his wife is a judge and he was waiting for her), led to findings by the Judicial Tenure Commission that he violated ethics rules. But Mr. Bradfield is challenging both the order that he seek counseling and the one-year suspension from the bench.

The court is also asked to decide whether a bank is liable for money embezzled by an employee altering checks to be credited to his own account. Chip Rasor, office manager for Carson Fisher PLC, had been convicted of bank fraud for altering the checks, which were made out to the bank to cover the law firm's withholding tax, to instead be deposited in his own account.

The Oakland Circuit Court had agreed (*Carson Fisher PLC v. Michigan National Bank*, SC docket No. 128689) that the bank was liable only for the funds embezzled after the scheme was discovered because it had not been notified of the unauthorized alterations. But the Court of Appeals ruled the changes to the checks did not constitute the alterations anticipated by the banking statute.

The cases are the second and first cases, respectively, to be argued in a session beginning at 9:30 a.m. The other cases scheduled:

Barnes v. Jeudevine (SC docket No. 129606): The court is asked to decide at what point a putative father has the right to seek a paternity finding for a child conceived during marriage. Michael Barnes and Kim Jeudevine conceived a child while she was still married to another man. Ms. Jeudevine did not tell her now ex-husband that she was pregnant and the certificate of divorce indicates no children were born of or expected from the marriage. But when Mr. Barnes, who is listed as the father on the birth certificate, sought a paternity finding after he and Ms. Jeudevine separated, the Kalamazoo Circuit Court rejected his claim for lack of standing because the child was conceived during a marriage. The Court of Appeals reversed.

Bierlein v. Schneider (SC docket No. 128913): The parents of a child injured in an automobile accident are seeking to reopen the settlement after their attorney embezzled the funds. The Saginaw Circuit Court had originally reopened the case, but reinstated the dismissal after the Court of Appeals overturned the order reopening the case. At issue is the question whether the settlement was legal because it did not include appointment of a conservator to prevent the embezzlement.



Paige v. City of Sterling Heights (SC docket No. 127912): A worker's compensation magistrate found that Adam Paige was a legal dependent of Randall Paige, a former firefighter for the city, and that the elder Mr. Paige's benefits, after his death, should flow to the younger. The Worker's Compensation Appellate Commission and the Court of Appeals have agreed. The city argued that Randall Paige's 1991 work-related heart attack was not the proximate cause of his final heart attack in January 2001 and so does not make his dependents eligible for benefits. And it argued that Adam Paige, who was near age 18 when his father died, was not legally a dependent.

Cameron v. Auto Club Insurance Association (SC docket No. 127018): The court is asked to decide how far back an injured person can seek reimbursement for attendant care under the no-fault act. The case is before the court a second time after it had asked for supplemental briefs on the issue. Daniel Cameron, a minor, was injured in an automobile accident in August 1996 and required attendant care from that time until he was placed in an in-patient rehabilitation facility in August 1999. His parents filed suit in 2002 for reimbursement of those costs, which the Washtenaw Circuit Court allowed. But the Court of Appeals agreed with the insurance company that, even though Mr. Cameron was a minor at the time of the crash, his parents could only go back one year in seeking reimbursement for costs that they had not already filed with the insurance company.

GRANHOLM RESPONDS TO DEMAND TO BEGIN DEBATE TALKS

The Granholm for Governor campaign formally rejected on Wednesday a call by the DeVos campaign for immediate discussions on fall debates in a letter urging the Republican challenger to first outline what positions he has. The letter by Howard Edelson, campaign manager for the Granholm campaign, also warned the DeVos campaign not to unilaterally accept any debate invitations, saying it would undermine the possibility of reaching a mutual agreement on debates.

The letter on behalf of Governor Jennifer Granholm, postmarked Wednesday, was sent to Greg McNeilly, campaign manager for the Dick DeVos campaign, who last week renewed his call for discussions to begin regarding debates.

Mr. Edelson said the Granholm campaign would be happy to discuss the number, locations, sponsors, dates and formats for debates after this year's August 8 primary and the two party's nominating conventions, but it is premature to engage in those talks now.

Until then, he added, "we respectfully suggest that Mr. DeVos use the time before the general election to do his homework, study the issues, develop his own proposals and decide what positions, if any, he will take on economic issues, tax issues, stem cell research, reproductive freedom, etc."

DeVos campaign spokesperson John Truscott said the governor's positions on major issues is far from clear and that voters deserve to know the debate schedule that will help them make decisions this fall. "Dick De-Vos knows where he stands and he is not a flip-flopper," he said. "I don't know what they're afraid of; maybe they need time to figure out which position the governor is going to take on those issues."

Mr. Truscott also said the DeVos campaign has not unilaterally accepted any debates and is trying in good faith to work cooperatively to ensure debates will be held.

SENATE PASSES BILLS CONTROLLING METH PRODUCTION

The state could take criminal action against anyone who published on the Internet instructions for manufacturing methamphetamine, and child abuse cases where the victim had been exposed to meth would be automatically referred to the local prosecutor under a series of bills passed unanimously by the Senate Wednesday.

Also approved was a bill requiring the State Police to post the location of any place with an illegal meth labs and whether the location has been cleaned up. A resolution, <u>SR 101</u>, calls on Congress to help provide flexible funding to cleanup areas where meth production took place.

Passed, all by 38-0 votes, were <u>SB 1115</u>, <u>SB 1116</u>, <u>SB 1117</u> and <u>SB 1119</u>.

Since instructions for the production of meth are often found on the Internet, SB 1119 allows the attorney general to take action against a person who has posted such a website.



SB 1116 and SB 1117 require the Department of Human Services and the local prosecutor to take action in suspected child abuse cases where a child is exposed to meth.

COURT SETTLES PREMISES LIABILITY

Owners of apartment complexes are required to keep the sidewalks that lead between buildings and to parking areas in good repair, which includes clearing them of ice and snow, the Court of Appeals ruled in a case released Wednesday.

The Macomb Circuit Court had ruled (*Benton v. Dart Properties Incorporated*, <u>COA docket No. 256465</u>) that the ice that Bradley Benton slipped on, breaking his leg, was open and obvious and so not a source of liability for the apartment complex.

The Court of Appeals, in the published per curiam opinion signed by Judges Jessica Cooper, Karen Hood and Stephen Borrello, agreed that Mr. Benton, as a tenant, was an invitee and therefore expected to avoid obvious hazards. But it ruled the sidewalks were a common area that the complex owner was required to maintain and keep clear of hazards.

E.U.C.L.: State courts cannot uphold a law federal courts have ruled unconstitutional, Mr. Borrello and Judges David Sawyer and Thomas Fitzgerald, ruled (*Beyer v. Verizon North Incorporated*, <u>COA docket No.</u> <u>258504</u>). The state and the local telephone companies entered a settlement finding the provisions of the Michigan Telecommunications Act that eliminated the end user carrier line charge were unconstitutional in December 2002.

The telephone customers in this case filed suite in March 2003 arguing Verizon owed them a refund for continuing the EUCL charge.

The ruling upholds the Ingham Circuit Court's dismissal of the case, but on different grounds from those used by the trial court.

COMMISSION CALLS FOR PATIENT SAFETY CENTER

Michigan should create a non-profit group to coordinate patient safety efforts and should allow for confidential medical error reporting, the Patient Safety Commission said in issuing its report Wednesday.

The commission said the state should create the Michigan Center for Safe Health Care to state and private efforts to reduce patient harm during medical procedures. The center would, among other things, be charged with developing an error reporting system that would allow for voluntary, confidential, non-punitive reports of medical errors.

The center would also help to develop patient outreach efforts to involve them in patient safety efforts.

"The report is a wonderful starting point for improving patient safety in Michigan," said Community Health Director Janet Olszewski. "We will be reviewing the recommendations over the next several weeks to determine which concepts to implement soon, and which to build into the state's long term plans for reducing health care errors."

COX: DETROIT SCHOOL BOARD MUST ELECT '07 OFFICERS

Detroit's newly elected school board has already selected its officers for the year, but by law it will have to do so again in 2007, Attorney General Mike Cox has ruled.

In opinion No. 7192, Mr. Cox said the 2004 law that allowed for the election of the Detroit School Board, after it had operated under a state-directed reform board from 1999 to 2005, required that the president and vice president of the board be elected in January of the first odd-number year after the election.

But the election for the new board was not held November 2005. Mr. Cox the law does not prohibit the newly-elected board from selecting its officers in January of an even-numbered year.



But the law clearly requires that the board also elect officers in January 2007, Mr. Cox said. Those officers elected this past January can serve only until the next election in January 2007, Mr. Cox ruled.

CAMPAIGN NOTES

DE VOS GETS A RIVAL: The Republicans may get a primary in the governor's race after all. Despite the head start, the money and the ads already being run by former Alticor executive Dick DeVos, the new hat in the ring belongs to Holland chiropractor Louis Boven. He says he is the grassroots alternative. Mr. Boven, who filed his campaign finance papers last week and told the Holland Sentinel earlier this month that he will officially launch his campaign at the end of May or in early June, has never run for political office nor participated in party politics. But said he has spent the past year traveling 25,000 miles across the state talking to voters who he said feel like "the choice has been handed to them." To get on the ballot, Mr. Boven must collect at least 15,000 valid signatures by the Tuesday, May 16 filing deadline; candidates must collect at least 100 signatures in each of at least half of the Congressional districts.

APPEALS JUDGES FILE: To no great surprise, all 11 Court of Appeals judges who are up for new terms filed affidavits of candidacy by Tuesday's deadline. Judges Kirsten Kelly, Brian Zahra, Jessica Cooper, Kathleen Jansen, Deborah Servitto, William Burphy, Janet Neff, Michael Smolenski, Stephen Borello and Peter O'Connell all filed for regular six-year terms in the court's four districts. Judge Alton Davis, one of three members appointed to the court by Governor Jennifer Granholm, filed for the election to fill the rest of a term that will expire January 1, 2009. Ms. Neff was the first to file her affidavit, on January 9; Ms. Servitto, who was appointed to the court March 14, filed hers at the deadline. The candidates are listed on the Department of State's <u>unofficial list</u> of candidates for the August 8 primary.

SKINNER ENDORSEMENTS: Nancy Skinner, the Democrat challenging U.S. Rep. Joe Knollenberg (R-Bloomfield Hills), announced Wednesday she had been endorsed by the UAW Region 1 CAP Council.

G.O.P. PRIMARY IN HOUSE 20TH: Republicans will have to candidates running for the House 20th District seat after Plymouth Mayor Pro-Tempore Phil Pursell announced his candidacy Wednesday. Beth Stewart, wife of <u>Rep. John Stewart</u> (R-Plymouth), is also running for the seat on the Republican ticket.

CAPITAL NOTEBOOK

U.P. POWER: Public Service Commission Member Laura Chappelle assured Upper Peninsula residents and businesses Wednesday that the commission is working to ensure adequate power and lower prices for the region.

"We are keeping a watchful eye on issues that affect the UP, including market prices and the possible addition of new electric generation," Ms. Chappelle said at a conference hosted by the Upper Peninsula Power Company.

Ms. Chappelle acknowledged that prices had increased in the region since the Midwest Independent System Operator began operating power markets last April, but she said the commission is working with MISO, the power companies and the transmission companies to improve transmission capacity both across the Straits of Mackinac and across the border with Wisconsin. The plan could also involve another power plant in the region, she said.

MILLIKEN BOOK SIGNING: The Michigan Political History Society and the Michigan Environmental Council will hold a book-signing event next month for David Dempsey's book on former Republican Governor William Milliken. Mr. Milliken, who was governor from 1969-1982, is expected to appear and deliver some remarks regarding the book, "William G. Milliken, Michigan's Passionate Moderate." The evening event will be Monday, April 24 at the State Historical Library.

SUPPLEMENTAL NOTICE OF LEGISLATIVE COMMITTEES

TUESDAY, APRIL 18

Senate Appropriations (Judiciary and Corrections Subcommittee), (Chr. Cropsey, 373-2767), Rm. 402 Capitol, 3 pm

• Budget for Judiciary Branch for 2006-07





TUESDAY, APRIL 25

Senate Appropriations (Judiciary and Corrections Subcommittee), (Chr. Cropsey, 373-2767), Rm. 402 Capitol, 3 pm

Budget for Judiciary Branch for 2006-07 ٠

TUESDAY, MAY 2

Senate Appropriations (Judiciary and Corrections Subcommittee), (Chr. Cropsey,

- 373-2767), Rm. 402 Capitol, 3 pm
- Budget for Judiciary Branch for 2006-07. ٠

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