



A Union of Professionals

# Fact Sheet on Detroit Legislation

The Michigan House passed a set of bills early this morning that is its version of a plan to address the ongoing crisis in Detroit schools (HB 5383, HB 5384, HB 5387, and substitute bills for SB 711, SB 820 and SB 822). It differs substantially from the previously passed Senate version of the plan. While neither version is perfect, the Senate's is much closer to the vision laid out by the stakeholders in Detroit.

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## BASICS

In each case, the plan creates a new entity to run the day-to-day operations of the school district. That entity, the “community school district,” would be state-funded. The debt payments, which are drowning the district, would be left in the hands of the old school district, which would use its own revenues to pay them down.

## FUNDING

On the issue of long-term financing, the House legislation does not provide enough financial capital for the district to pay down the debt and continue to operate, allocating \$72 million per year to the district, capped at \$500 million. In the near term, the House also passed language allowing the district to request up to \$33 million in emergency loan funding. We understand this to be inadequate to meet the immediate needs of the district.

## GOVERNANCE

The House bills would not immediately return local control to the district. Instead, an appointed school board would be selected and the Detroit Financial Review Commission would choose the superintendent. The Senate bills would return control to a locally elected school board by the next election and create a Detroit Education Commission, which would help ensure that there is a rationale structuring of the educational ecosystem between charters and other public schools. This is important for stabilizing the system going forward. The House removed the Detroit Education Commission from its legislation.

## UNION RIGHTS

Under the Senate bills, the contracts of workers would carry over to the new entity. The House language does not recognize any existing bargaining units, meaning staff would be stripped of the protections and benefits of their contracts. The state-appointed board called for in the House legislation can require teachers and school staff to reapply for their jobs. In addition, non-instructional staff jobs could be outsourced to private contractors.

## LOCKOUT RESPONSE

The House package also contains punitive anti-strike language, in response to the recent lockout.

- Teachers would be fined one day's pay for every day they are found to have engaged in a strike.
- A public employer may consolidate employee hearings, choosing to group multiple people into one hearing even when the charges have been brought against the individual.
- A parent may notify the Michigan Employment Relations Commission of a suspected strike, and the superintendent of public instruction or the attorney general may bring action to enjoin the strike.
- The amount of time the commission would have to hold hearings regarding strikes was changed from 60 days to two days.

## EDUCATION POLICY

The House language is overprescriptive, allowing the “community school district” to hire noncertified teachers, and it would institute a merit pay system that ties pay to student standardized test scores for all new hires. It creates an accountability system for Detroit only.

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The **American Federation of Teachers** is a union of 1.6 million professionals that champions fairness; democracy; economic opportunity; and high-quality public education, healthcare and public services for our students, their families and our communities. We are committed to advancing these principles through community engagement, organizing, collective bargaining and political activism, and especially through the work our members do.

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