



The Insider

www.senate.michigan.gov/switalski

Inside State Politics with State Senator Mickey Switalski Senate District 10

December 19, 2008

Welcome to the electronic version of *The Insider*. I would like to take the opportunity to thank you for your support and giving me an opportunity to represent you in the Michigan Senate. It is my sincere hope that this bi-weekly e-newsletter will keep you informed of the happenings in Lansing while staying true to the traditional style of *The Insider*. If you would like to contact me, please feel free to e-mail me at senmswitalski@senate.michigan.gov or call me at my Roseville or Lansing office. You can also meet me in person during my constituent hours, coming to a location near you. Call my office and make an appointment or just walk in. See schedule for details.

Mickey's Blog: Financial Literacy 101

Rock the High School Dropouts

The Archangel Gabriel, moonlighting as a High School Counselor, had one last appointment for the day. Jeff Spicoli had just turned 16, flunked Algebra, and wanted to quit school.

“What do you like, Jeff?” Gabriel asked. “Music? Art? I can get you in band or choir. How about a tech class? Electronics? Cooking? Do you like cars?”

Spicoli started thinking, and his brain needed the exercise. Gabriel had a chance to save him, but this year the Michigan Legislature had made the job a lot tougher. Michigan enacted new standards requiring Algebra, Geometry, Algebra II, and a 4th math class to graduate. If he stayed in school, Spicoli would have to retake and pass Algebra, plus 3 more *even harder* math courses. Even for Gabriel, that's a tough sell, and the dropout rate was rising.

Gabriel knew he was at risk of losing Spicoli to his arch rival.

After 5 o'clock, Gabriel went to the Good Lord for a bailout.

“Lucifer's been in the market for years,” Gabriel cried. “He's been buying and selling souls for centuries. We're fighting with 2 hands tied behind our backs. We can't compete.”

“What are you asking for?” shot back *St. Michael the Archangel*, as the Lord sat listening. Michael is God's *Chief of Staff for Administrative Affairs*, and *General Hatchet Man*.

“I want to deal in commodities,” begged Gabriel. “I want authority to extend the lives of people who are doing the Lord’s work. Lucifer’s offering the bad ones *riches, power, and pleasures*. I just want a level playing field.”

The Lord nodded his assent, and Michael laid out the parameters. “On a pilot basis, we will grant you one extension. Make it a good one,” he warned sternly. And as he sharpened the famous ax he used to drive Lucifer from Heaven, he took a parting shot at Gabriel.

“And don’t do anything to embarrass us.”

In a snap Gabriel was gone and materialized at the *Immaculate Heart of Mary Motherhouse* for aged nuns in Monroe, Michigan. He’d already chosen his candidate. He met the Grim Reaper at the door, just in the Nick of time.

“Not today,” he told the Reaper breezily. “Special Dispensation from the Big Guy.” He handed the Grim One an *Emergency Stay of Execution* with St. Michael’s seal, and the Reaper sheathed his sickle and trudged silently away.

“Behold, Sister,” announced Gabriel as he entered Sister Mary Rock’s room. Rock was clutching her rosary in bed with 3 blankets over her.

“You again,” sighed Rock. “I was expecting the Reaper.”

“I sent him packing,” said Gabriel. “I’ve got an offer you can’t refuse.”

“I’m all ears,” said Rock.

Gabriel caught himself before poking fun at Rock’s especially large nose, her most prominent feature. She was a shade over 4 feet tall, and seemed ageless despite her 112 years. She’d spent 74 years teaching, and putting the *Fear of God* into, wee Catholic schoolchildren. After forced retirement at age 92, she’d spent the last 20 years at the Motherhouse, growing increasingly frail.

“We need you,” Gabriel pled. “Michigan’s got themselves into an H E double-hockey stick of a mess. Their economy is in a shambles, people are out of work and losing their houses.”

“I’m a teacher, not an economist,” objected Rock.

“Thank God for that,” quipped Gabriel, crossing himself. “That’s where you come in. To fix this problem long term, we have to teach kids not to make the same financial mistakes their parents made. And besides that, the state has toughened up the High School Curriculum, added more mathematics, and kids are flunking and dropping out like flies.”

Rock’s eyes narrowed. “I’d like to help,” she whispered, “but my flesh is weak.”

“I’ve negotiated an extra year for you,” Gabriel pitched. “Plus you’ll be in your prime—just like you felt at age 70. All we need is for you to set up our new Math Class. It’s called *Financial Literacy*. That apostate Senator Switalski finally passed a worthwhile bill. The kids are gonna love it.”

“Things must have changed in 20 years,” moaned Rock. “The last kids I had hated math.”

“Damned Lucifer’s got them all loving money. But we’ll use that to get them interested in math. We’ll kill two birds with one stone. Even if they flunked Algebra, when they pass *Financial Literacy* their

math confidence will soar. After that, they *will* pass Algebra. I've got it all figured out. You'll have these kids eating numbers out of your hand," promised Gabriel.

Rock signed the papers after reluctantly agreeing to Gabriel's insistence that she not wear her *Habit*, the old nun's uniform, during class hours. She started teaching at South Central High School the following week.

"Class," Sister Rock began insistently, just audible above the din.

"*Class.*"

"CLASS!!!"

For a moment there was silence, then Spicoli, the class buffoon, chimed in.

"Lighten up, sister."

Sr. Mary Rock drew herself up to the full 4 feet of her frame, placing her nose within a centimeter of Spicoli's proboscis. Her piercing eyes looked straight into his disheveled soul.

"I don't like what I see," she stated flatly.

An uneasy silence ensued.

"This course in Financial Literacy will count towards one of the four math classes you are required to pass for Graduation," began Rock.

"Let's begin with a story problem. Close your eyes. You have just won the Michigan State Lottery for \$10 million. Do you take the money in a lump sum up front, or do you collect it in equal payments over 20 years?"

Spicoli's hand shot up.

"Up front," he suggested. "That way I can hire Nickleback to play my 18th Birthday Party."

"OK," replied Rock. "You understand, Mr. Spicoli, that because of the time value of money, your payout will be discounted to only \$5 million if you take it up front?" asked Rock.

"Wha-wha-wha-What?" stammered Spicoli.

"And you will have to pay state, federal and local taxes on the \$5 million. Let's get to work. Any volunteers to go to the board and do 4.35% state income tax on \$5 Million? How about Federal Income tax? It's not a flat tax, like Michigan has. It's progressive. The rate goes up the higher your compensation," explained Rock.

"That sounds Socialist," said J. T. Plummer from his desk in the back of the room. "I just won't pay."
"Sister, what if I take it over 20 years?" asked Spicoli.

"You get the full \$10 million, in annual payments of \$500,000. Who can tell me how much that is monthly, weekly, and hourly?" continued Rock.

The class broke into their Cooperative Learning Groups to do various calculations, and then share, critique, and debate their answers and determine the most fiscally responsible choices.

“That \$500,000 is less than \$10,000 a week,” exclaimed Spicoli, gnawing at his pencil. “What do you take home after taxes?” reminded Rock.

“I still have to subtract that,” said Spicoli ruefully. “I’d better settle for the *Tribtones* at my birthday party.”

“OK, class,” said Rock. “Tomorrow we will be going to the casino, which is my desk, to analyze the probabilities in Blackjack, Roulette, Slots, Craps, and Texas Hold ‘em. Then you can determine which game best favors the House or the player, and when it is best to not play.”

It was standing room only when they studied mortgages with adjustable rates and foreclosures and interest only loans and balloon payments. As a bonus they did the numbers on various student loans. Parent-teacher night set a record for attendance that week.

By the end of the semester, kids started bringing homework to school. They brought credit card bills, contracts to buy or lease cars, and pension options at the request of their parents to see if they were being fiscally wise or foolish. Kids started building household budgets and balancing checkbooks. After a few years, personal debt shrank, and the housing crisis subsided.

Gabriel entered his office one morning to find Sr. Mary Rock waiting for him.

“I think I can get you another year’s extension,” Gabriel offered cheerily.

Rock cut him off with an upraised palm.

“I want 5 years. And no more class time,” she ordered. “Spicoli and I are getting married and moving out West. We’re creating a startup to do these classes online. Open to all ages.”

Gabriel stood motionless.

“Got it? And you can keep this,” she added. She tossed Gabriel a brown paper grocery bag and left. Inside was her navy blue and black Habit, and on the bottom were a pair of standard issue nun’s platform shoes with thick soles and 6 inch chunky heels. Turns out Rock was only *3 ½ feet* tall!

Gabriel leaned back in his chair. His initiative had been an overwhelming success.

St. Michael might blow a fuse, but he was sure the Big Guy would back him.

U.S. Census Bureau Now Hiring for 2010 Census

The United States Census Bureau is opening a new office in the Metro Detroit area and are looking for individuals to assist in setting up operations and conducting the 2010 Census.

For more information on what positions are available and how to apply, call toll-free at 1-866-861-2010 or log on to www.census.gov/detroit.

Coffee Hours

*Coffee Hours for the upcoming year are still being determined at this time. Stay tuned for updates in future editions of the Insider E-newsletter.

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