

**No. 9**  
**STATE OF MICHIGAN**  
**Journal of the Senate**  
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**REGULAR SESSION OF 2006**

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Senate Chamber, Lansing, Thursday, February 2, 2006.

10:00 a.m.

The Senate was called to order by the President, Lieutenant Governor John D. Cherry, Jr.

The roll was called by the Secretary of the Senate, who announced that a quorum was present.

Allen—present  
Barcia—present  
Basham—present  
Birkholz—present  
Bishop—present  
Brater—present  
Brown—present  
Cassis—present  
Cherry—present  
Clark-Coleman—present  
Clarke—present  
Cropsey—present  
Emerson—present

Garcia—present  
George—present  
Gilbert—present  
Goschka—present  
Hammerstrom—present  
Hardiman—present  
Jacobs —present  
Jelinek—present  
Johnson—present  
Kuipers—present  
Leland—present  
McManus—present

Olshove—present  
Patterson—present  
Prusi—present  
Sanborn—present  
Schauer—present  
Scott—present  
Sikkema—present  
Stamas—present  
Switalski—present  
Thomas—present  
Toy—present  
Van Woerkom—present

Father Tom Sepulveda of St. Anne's Parish of Detroit offered the following invocation:

Heavenly Father, You have bestowed upon us all of those good things which surround us. You have blessed us abundantly in so many different ways; for that, we give You thanks and praise.

We ask, Heavenly Father, that by the action of Your Spirit in our lives, we may open our hearts, we may open our minds, we may open our lives, and use well those gifts which we have received from You. We ask that we may be generous in helping others, especially those who most need our help.

We give You thanks this day for the many men and women who have struggled to help the needy, and we remember especially Mrs. Coretta Scott King who not only accompanied her husband in the making of history, but made history with her own life. We ask, like the Kings, that we, too, may struggle for equality; that we, too, may struggle for the acceptance of all men and women who live within the borders of our state and our country and that all may be accepted equally; that all may share in that dignity which marks the life of every human being.

As we struggle to secure our borders and to avoid any violence of a terrorist nature, we ask You, Father, to help us to treat all immigrants with the dignity which is due them as members of the human family. We ask that we may be just, that we may be loving, and that we may be respectful of all.

We ask Your grace, especially upon this assembly, that they may open their hearts and their lives to that grace and put into effect not only in their own lives, but in the life politic of this state.

We ask this, Father, in the name of Your Son, our Lord Jesus Christ, who lives and reigns forever and ever. Amen.

The President, Lieutenant Governor Cherry, led the members of the Senate in recital of the *Pledge of Allegiance*.

### Motions and Communications

Senator Hammerstrom moved that consideration of the following bills be postponed for today:

**Senate Bill No. 246**

**Senate Bill No. 318**

The motion prevailed.

Senator Hammerstrom moved that Senator Garcia be temporarily excused from today's session.

The motion prevailed.

Senator Hammerstrom moved that the rules be suspended and that the following bills, now on Committee Reports, be placed on the General Orders calendar for consideration today:

**House Bill No. 4855**

**House Bill No. 4856**

**House Bill No. 5559**

The motion prevailed, a majority of the members serving voting therefor.

Senator Schauer moved that Senators Brater and Emerson be temporarily excused from today's session.

The motion prevailed.

The following communication was received:

Department of State

#### Administrative Rules Notice of Filing

January 19, 2006

In accordance with provisions of Section 46(1) of Act 306, Public Acts of 1969, as amended, and Executive Order 1995-6, this is to advise you that the Michigan Department of Labor and Economic Growth, State Office of Administrative Hearings and Rules filed at 2:10 p.m. this date, administrative rule (06-01-03) for the Department of Labor and Economic Growth, Director's Office, entitled "*Part 11. Premanufactured Units.*" These rules take effect April 1, 2006.

Sincerely,  
Terri Lynn Land  
Secretary of State  
Robin Houston, Office Supervisor  
Office of the Great Seal

The communication was referred to the Secretary for record.

The Secretary announced that the following House bill was received in the Senate and filed on Wednesday, February 1:  
**House Bill No. 5154**

The Secretary announced that the following official bills were printed on Wednesday, February 1, and are available at the legislative website:

**Senate Bill Nos. 1016 1017**

**House Bill Nos. 5615 5616 5617 5618 5619**

### Messages from the Governor

Senator Hammerstrom moved that consideration of the following bills be postponed for today:

**Senate Bill No. 272**

**Senate Bill No. 271**

**Senate Bill No. 264**

**Senate Bill No. 274**

**Senate Bill No. 281**

**Senate Bill No. 175**

**Senate Bill No. 236**

**Senate Bill No. 892**

**Senate Bill No. 893**

The motion prevailed.

Senators Brater and Garcia entered the Senate Chamber.

The following message from the Governor was received:

January 27, 2006

Pursuant to Section 14 of Article V of the Michigan Constitution of 1963, I write to inform the Senate of the following commutations granted during 2005:

Thomas Spangler - Sentenced on December 9, 2003 to a minimum sentence of two years and six months to a maximum of ten years for the crime of breaking and entering with intent. The commutation was granted for medical reasons and based on the affirmative recommendation of the Michigan Parole Board. The commutation was granted on February 23, 2005. Mr. Spangler died on October 3, 2005.

Shirley Louise Tyson-Bey - Sentenced on August 1, 2001 to a minimum sentence of one year to a maximum sentence of twenty years and a minimum sentence of one year and seven months to maximum of twenty years for the crime of delivery/manufacture of a controlled substance (two counts). The commutation was granted for medical reasons and was based on the affirmative recommendation of the Michigan Parole Board. The commutation was granted on November 22, 2005.

Jose Rabago - Sentenced on April 14, 2003 to a minimum sentence of three years and six months to a maximum of 30 years and a minimum sentence of two years and six months to a maximum of 15 years for the crimes of uttering and publishing (three counts), larceny from a building (three counts) and possession of a controlled substance. The commutation was granted for medical reasons and based on the affirmative recommendation of the Michigan Parole Board. The commutation was granted on December 21, 2005.

No pardons or reprieves were granted.

Respectfully,  
 Jennifer M. Granholm  
 Governor

The following message from the Governor was received and read:

February 1, 2006

Pursuant to Section 3 of Article 5 of the Michigan Constitution of 1963, please be advised of the following appointment to office:

**Director, Department of Labor and Economic Growth**

Ms. Paula D. Cunningham of 1625 Sagebrush, Lansing, Michigan 48917, county of Ingham, appointed for a term commencing March 6, 2006 and expiring at the pleasure of the Governor.

Sincerely,  
 Jennifer M. Granholm  
 Governor

The appointment was referred to the Committee on Government Operations.

### Messages from the House

#### Senate Bill No. 621, entitled

A bill to amend 1978 PA 368, entitled "Public health code," (MCL 333.1101 to 333.25211) by adding sections 20173a and 20173b; and to repeal acts and parts of acts.

The House of Representatives has substituted (H-2) the bill.

The House of Representatives has passed the bill as substituted (H-2), ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

Pending the order that, under rule 3.202, the bill be laid over one day,

Senator Hammerstrom moved that the rule be suspended.

The motion prevailed, a majority of the members serving voting therefor.

The question being on concurring in the substitute made to the bill by the House,

The substitute was concurred in, a majority of the members serving voting therefor, as follows:

#### Roll Call No. 48

#### Yeas—36

Allen	Clark-Coleman	Jacobs	Sanborn
Barcia	Clarke	Jelinek	Schauer
Basham	Cropsey	Johnson	Scott
Birkholz	Garcia	Kuipers	Sikkema
Bishop	George	Leland	Stamas
Brater	Gilbert	McManus	Switalski
Brown	Goschka	Olshove	Thomas
Cassis	Hammerstrom	Patterson	Toy
Cherry	Hardiman	Prusi	Van Woerkom

#### Nays—0

#### Excused—1

Emerson

#### Not Voting—0

In The Chair: President

The question being on concurring in the committee recommendation to give the bill immediate effect,

The recommendation was concurred in, 2/3 of the members serving voting therefor.

The Senate agreed to the full title.

The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

Senator Emerson entered the Senate Chamber.

#### Senate Bill No. 622, entitled

A bill to amend 1979 PA 218, entitled "Adult foster care facility licensing act," (MCL 400.701 to 400.737) by adding sections 34b and 34c; and to repeal acts and parts of acts.

The House of Representatives has substituted (H-2) the bill.

The House of Representatives has passed the bill as substituted (H-2), ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

Pending the order that, under rule 3.202, the bill be laid over one day,  
 Senator Hammerstrom moved that the rule be suspended.  
 The motion prevailed, a majority of the members serving voting therefor.  
 The question being on concurring in the substitute made to the bill by the House,  
 The substitute was concurred in, a majority of the members serving voting therefor, as follows:

**Roll Call No. 49**

**Yeas—37**

Allen	Clarke	Jacobs	Sanborn
Barcia	Cropsey	Jelinek	Schauer
Basham	Emerson	Johnson	Scott
Birkholz	Garcia	Kuipers	Sikkema
Bishop	George	Leland	Stamas
Brater	Gilbert	McManus	Switalski
Brown	Goschka	Olshove	Thomas
Cassis	Hammerstrom	Patterson	Toy
Cherry	Hardiman	Prusi	Van Woerkom
Clark-Coleman			

**Nays—0**

**Excused—0**

**Not Voting—0**

In The Chair: President

The question being on concurring in the committee recommendation to give the bill immediate effect,  
 The recommendation was concurred in, 2/3 of the members serving voting therefor.  
 The Senate agreed to the full title.  
 The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

By unanimous consent the Senate proceeded to the order of  
**General Orders**

Senator Hammerstrom moved that the Senate resolve itself into the Committee of the Whole for consideration of the General Orders calendar.

The motion prevailed, and the President, Lieutenant Governor Cherry, designated Senator Barcia as Chairperson.

After some time spent therein, the Committee arose; and, the President pro tempore, Senator Birkholz, having assumed the Chair, the Committee reported back to the Senate, favorably and without amendment, the following bill:

**House Bill No. 4856, entitled**

A bill to amend 1937 PA 94, entitled “Use tax act,” by amending section 4k (MCL 205.94k), as amended by 2002 PA 669.

The bill was placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with amendment, the following bill:

**House Bill No. 4855, entitled**

A bill to amend 1933 PA 167, entitled “General sales tax act,” by amending section 4x (MCL 205.54x), as amended by 2004 PA 173.

The following is the amendment recommended by the Committee of the Whole:

1. Amend page 3, following line 22, by inserting:

**“(E) “REGISTERED IN THIS STATE” MEANS AN AIRCRAFT REGISTERED WITH THE STATE TRANSPORTATION DEPARTMENT, BUREAU OF AERONAUTICS OR REGISTERED WITH THE FEDERAL AVIATION ADMINISTRATION TO AN ADDRESS LOCATED IN THIS STATE.”.**

The Senate agreed to the amendment recommended by the Committee of the Whole, and the bill as amended was placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:  
**House Bill No. 5559, entitled**

A bill to amend 1995 PA 24, entitled “Michigan economic growth authority act,” by amending sections 3 and 8 (MCL 207.803 and 207.808), section 3 as amended by 2004 PA 398 and section 8 as amended by 2005 PA 185.

Substitute (S-1).

The Senate agreed to the substitute recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

By unanimous consent the Senate returned to the order of

**Third Reading of Bills**

Senator Hammerstrom moved that the rules be suspended and that the following bills, now on the order of Third Reading of Bills, be placed on their immediate passage:

**House Bill No. 4855**

**House Bill No. 4856**

**House Bill No. 5559**

The motion prevailed, a majority of the members serving voting therefor.

Senator Hammerstrom moved that the following bills be placed at the head of the Third Reading of Bills calendar:

**House Bill No. 4670**

**House Bill No. 5375**

**Senate Bill No. 728**

**House Bill No. 4855**

**House Bill No. 4856**

**House Bill No. 5559**

The motion prevailed.

The following bill was read a third time:

**House Bill No. 4670, entitled**

A bill to amend 1978 PA 368, entitled “Public health code,” (MCL 333.1101 to 333.25211) by adding section 16184.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

**Roll Call No. 50**

**Yeas—36**

Allen	Clarke	Jacobs	Sanborn
Basham	Cropsey	Jelinek	Schauer
Birkholz	Emerson	Johnson	Scott
Bishop	Garcia	Kuipers	Sikkema
Brater	George	Leland	Stamas
Brown	Gilbert	McManus	Switalski
Cassis	Goschka	Olshove	Thomas
Cherry	Hammerstrom	Patterson	Toy
Clark-Coleman	Hardiman	Prusi	Van Woerkom

**Nays—0**

**Excused—0**

**Not Voting—1**

Barcia

In The Chair: Birkholz

The question being on concurring in the committee recommendation to give the bill immediate effect,  
The recommendation was concurred in, 2/3 of the members serving voting therefor.

Pursuant to Joint Rule 20, the full title of the act shall be inserted to read as follows:

“An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to provide for the levy of taxes against certain health facilities or agencies; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to provide for an appropriation and supplements; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates,”.

The Senate agreed to the full title.

The following bill was read a third time:

**House Bill No. 5375, entitled**

A bill to amend 1978 PA 368, entitled “Public health code,” (MCL 333.1101 to 333.25211) by adding section 16185.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

**Roll Call No. 51**

**Yeas—37**

- |               |             |           |             |
|---------------|-------------|-----------|-------------|
| Allen         | Clarke      | Jacobs    | Sanborn     |
| Barcia        | Cropsey     | Jelinek   | Schauer     |
| Basham        | Emerson     | Johnson   | Scott       |
| Birkholz      | Garcia      | Kuipers   | Sikkema     |
| Bishop        | George      | Leland    | Stamas      |
| Brater        | Gilbert     | McManus   | Switalski   |
| Brown         | Goschka     | Olshove   | Thomas      |
| Cassis        | Hammerstrom | Patterson | Toy         |
| Cherry        | Hardiman    | Prusi     | Van Woerkom |
| Clark-Coleman |             |           |             |

**Nays—0**

**Excused—0**

**Not Voting—0**

In The Chair: Birkholz

The question being on concurring in the committee recommendation to give the bill immediate effect,

The recommendation was concurred in, 2/3 of the members serving voting therefor.

Pursuant to Joint Rule 20, the full title of the act shall be inserted to read as follows:

“An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to provide for the levy of taxes against certain health facilities or agencies; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to provide for an appropriation and supplements; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates.”.

The Senate agreed to the full title.

The following bill was read a third time:

**Senate Bill No. 728, entitled**

A bill to amend 1978 PA 368, entitled “Public health code,” by amending sections 9201, 9204, 9207, and 9227 (MCL 333.9201, 333.9204, 333.9207, and 333.9227), sections 9201 and 9227 as amended and section 9207 as added by 1996 PA 540.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

**Roll Call No. 52**

**Yeas—37**

Allen	Clarke	Jacobs	Sanborn
Barcia	Cropsey	Jelinek	Schauer
Basham	Emerson	Johnson	Scott
Birkholz	Garcia	Kuipers	Sikkema
Bishop	George	Leland	Stamas
Brater	Gilbert	McManus	Switalski
Brown	Goschka	Olshove	Thomas
Cassis	Hammerstrom	Patterson	Toy
Cherry	Hardiman	Prusi	Van Woerkom
Clark-Coleman			

**Nays—0**

**Excused—0**



**Not Voting—0**

In The Chair: Birkholz

The Senate agreed to the title of the bill.

The following bill was read a third time:

**House Bill No. 4855, entitled**

A bill to amend 1933 PA 167, entitled “General sales tax act,” by amending section 4x (MCL 205.54x), as amended by 2004 PA 173.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

**Roll Call No. 53**

**Yeas—37**

Allen	Clarke	Jacobs	Sanborn
Barcia	Cropsey	Jelinek	Schauer
Basham	Emerson	Johnson	Scott
Birkholz	Garcia	Kuipers	Sikkema
Bishop	George	Leland	Stamas
Brater	Gilbert	McManus	Switalski
Brown	Goschka	Olshove	Thomas
Cassis	Hammerstrom	Patterson	Toy
Cherry	Hardiman	Prusi	Van Woerkom
Clark-Coleman			

**Nays—0**

**Excused—0**

**Not Voting—0**

In The Chair: Birkholz

The question being on concurring in the committee recommendation to give the bill immediate effect,

The recommendation was concurred in, 2/3 of the members serving voting therefor.

Pursuant to Joint Rule 20, the full title of the act shall be inserted to read as follows:

“An act to provide for the raising of additional public revenue by prescribing certain specific taxes, fees, and charges to be paid to the state for the privilege of engaging in certain business activities; to provide, incident to the enforcement thereof, for the issuance of licenses to engage in such occupations; to provide for the ascertainment, assessment and collection thereof; to appropriate the proceeds thereof; and to prescribe penalties for violations of the provisions of this act.”

The Senate agreed to the full title.

The following bill was read a third time:

**House Bill No. 4856, entitled**

A bill to amend 1937 PA 94, entitled “Use tax act,” by amending section 4k (MCL 205.94k), as amended by 2002 PA 669.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

**Roll Call No. 54****Yeas—37**

Allen	Clarke	Jacobs	Sanborn
Barcia	Cropsey	Jelinek	Schauer
Basham	Emerson	Johnson	Scott
Birkholz	Garcia	Kuipers	Sikkema
Bishop	George	Leland	Stamas
Brater	Gilbert	McManus	Switalski
Brown	Goschka	Olshove	Thomas
Cassis	Hammerstrom	Patterson	Toy
Cherry	Hardiman	Prusi	Van Woerkom
Clark-Coleman			

**Nays—0****Excused—0****Not Voting—0**

In The Chair: Birkholz

The question being on concurring in the committee recommendation to give the bill immediate effect, The recommendation was concurred in, 2/3 of the members serving voting therefor.

Pursuant to Joint Rule 20, the full title of the act shall be inserted to read as follows:

“An act to provide for the levy, assessment and collection of a specific excise tax on the storage, use or consumption in this state of tangible personal property and certain services; to appropriate the proceeds thereof; and to prescribe penalties for violations of the provisions of this act.”.

The Senate agreed to the full title.

The following bill was read a third time:

**House Bill No. 5559, entitled**

A bill to amend 1995 PA 24, entitled “Michigan economic growth authority act,” by amending sections 3 and 8 (MCL 207.803 and 207.808), section 3 as amended by 2004 PA 398 and section 8 as amended by 2005 PA 185.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

**Roll Call No. 55****Yeas—37**

Allen	Clarke	Jacobs	Sanborn
Barcia	Cropsey	Jelinek	Schauer
Basham	Emerson	Johnson	Scott
Birkholz	Garcia	Kuipers	Sikkema
Bishop	George	Leland	Stamas
Brater	Gilbert	McManus	Switalski
Brown	Goschka	Olshove	Thomas
Cassis	Hammerstrom	Patterson	Toy
Cherry	Hardiman	Prusi	Van Woerkom
Clark-Coleman			

**Nays—0**

**Excused—0**

**Not Voting—0**

In The Chair: Birkholz

The question being on concurring in the committee recommendation to give the bill immediate effect, The recommendation was concurred in, 2/3 of the members serving voting therefor.

Pursuant to Joint Rule 20, the full title of the act shall be inserted to read as follows:

“An act to promote economic growth and job creation within this state; to create and regulate the Michigan economic growth authority; to prescribe the powers and duties of the authority and of state and local officials; to assess and collect a fee; to approve certain plans and the use of certain funds; and to provide qualifications for and determine eligibility for tax credits and other incentives for authorized businesses and for qualified taxpayers.”.

The Senate agreed to the full title.

By unanimous consent the Senate proceeded to the order of

**Statements**

Senators Hammerstrom, George, Scott and Cherry asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Hammerstrom’s statement is as follows:

Colleagues, I rise today to thank those of you who remembered to wear red today. As you know, tomorrow marks the American Heart Association’s National Wear Red Day. “Go Red for Women” is a nationwide effort to help raise awareness of heart disease through lifestyle changes and actions.

Too few of us realize that heart disease is the No. 1 killer not only of men, but of women as well in this country. But the good news is that this disease can be prevented. Through diet and exercise, we can reduce the chances of being diagnosed with heart disease. Each time we take the stairs instead of the elevator or choose healthier foods, we lower the risk of a heart attack.

I’d like to share with you some startling statistics associated with heart disease: Cardiovascular disease kills one woman every minute in the United States, but only 13 percent of women know that it is their No. 1 health threat. This disease takes the lives of more sisters, mothers, aunts, grandmothers, and girlfriends than the next six leading causes of death, including all cancers.

This year, Michigan will spend almost \$14 billion in costs associated with cardiovascular disease, including heart disease. Nine out of ten Michigan adults have one or more of the major cardiovascular disease risk factors, which include high blood pressure, high cholesterol, smoking, overweight, diabetes, and inadequate physical activity.

Again, I want to thank you for participating today as we join in the nationwide fight against heart disease. Together, we are showing our support and commitment to keep Michigan healthy.

Senator George’s statement is as follows:

I wanted to take advantage of this time today to talk a little bit about the administration’s proposal to expand health care to half a million uninsured Michigan citizens. Yesterday we had a hearing on this and we heard a presentation from the administration. There are several questions that I raised that haven’t been answered yet, but I thought it would be helpful for the chamber to hear what those questions are.

One is, why would we embark on creating a new governmental insurance program given the problems we have with the current Medicaid program? The second question would be, what effect would this have in the private insurance market? And the third is, how would expanding insurance in Michigan meet our goal of making the residents in our state healthier?

Today, I want to talk a little bit about the first question, and that is why would we expand or create a new program given the current problems within our current Medicaid system? I do think it is important that you recognize that our current Medicaid system is very dysfunctional. Providers are frustrated with this system. They are frustrated with paperwork, they are frustrated with lack of patient compliance, and they are frustrated with low reimbursement rates, and physicians are dropping out of the Medicaid system. My office seems to attract letters from physicians from around the state regarding their Medicaid experience, and I want to give you some of the highlights.

Here is a letter from a pair of surgeons who say, “After 19 years of private practice of working with the Medicaid system, things have deteriorated to the point that we have decided not to continue seeing Medicaid patients.” Here are some of their reasons: “We have experienced a roughly 50% ‘no-show’ rate for new Medicaid patients compared with

a nearly 0% no-show with all other patients. This number actually excludes the patients who would actually call because they are ill or do not have transportation.”

Here is another one of their issues: Medicaid is the only payment system that won't reimburse them for procedures done in their office. Medicaid patients must go to the hospital to have even the smallest procedure performed under local anesthesia. Michigan's Medicaid program will not pay for office-based surgical procedures.

Here is another complaint: It is up to the physicians to verify each month that their patient is indeed still covered by Medicaid. “We have to verify any new HMO plan that the patient is a part of and to date we have had major difficulty getting timely preauthorizations for office visits and treatment.” And finally, “Reimbursement has been unacceptably delayed. Our claim is automatically sent for some type of review process and reimbursement may not follow from six months to a year.” That was from two surgeons.

Here is an e-mail I got two weeks ago from a medical school colleague, a neonatologist who takes care of premature babies in Kalamazoo. She says, “We have ongoing, multiple problems with the State as well as the QHPs”—those are the Medicaid HMO plans—and the handling of claims.” Today for example, “The State took back thousands of dollars for children who were in our unit in March. The eligibility of the children was verified in March to be on straight Medicaid, not a Medicaid HMO.” The state had been billed, paid the claims, and they are now recouping the money saying that they “have made the decision to retroactively enroll the children in an HMO.”

The majority of recruitment claims have come from the HMOs themselves, and after paying the claims, have decided that the kids have been enrolled in straight Medicaid and requests a refund. It seems ridiculous to me that the financial burden of the state's decisions related to these children fall on the physician.

So, colleagues, we need to address these problems before we create new ones.

Senator Scott's statement is as follows:

I have three little short website insurance stories just to continue to remind my colleagues how important it is that we make some changes in our insurance laws. This one is from Detroit: “Being a single parent is extremely difficult to afford a car note and insurance. It makes no sense the way they come up with the insurance rates.”

The next one is from District No. 15, South Lyons, Michigan: “Insurance rates should not be a function of your address or your income bracket or race or religion or anything other than one's own driving record.”

The next one is from Rothbury: “This is not my story, but I just want you to know that you have my support. It's about time someone stood up and let the insurance companies know that we are tired and broke of being taken advantage of. Thank you so much, Mrs. Scott, and God bless you.”

I thank the chair from the committee that will be taking up my bill today. So I would hope that all of my colleagues stay very familiar with what's going on in these committees so that we will be able to vote to change how the laws are and make them better for all people no matter where in this state they live.

Senator Cherry's statement is as follows:

I just wanted to talk for a second in response to some of the issues that the good Senator from the 20th District just talked about, and that was the meeting we had yesterday on the Governor's proposal to increase health insurance for those who are uninsured in this state. I have to applaud the Governor for her proposal. I think it's a great one, and I think it is something that is very worthy of us to be considering.

As we go through this process, there are things that have not been determined, and we have a lot of work to do in order to make sure that the program is a good one. Ultimately, there are good reasons for supporting this, and one is that, first of all, people will have access to health care who haven't had access to health care before. Folks who are working who haven't had health care will be able to get health care, and it will also save the state money in the future. That, in and of itself, is a very great purpose and is something that I know we all can support.

I hope all of our colleagues remain open as we go through this process of developing this program, which I think will be something that will be nation-leading for this state. I think we should be embracing this program. There are always issues with Medicaid. This program will not be a Medicaid program.

I know that the department is committed to trying to work those problems out which were stated in the meeting yesterday. So, as we go forward, I hope we'll all be open to the development of a program that will not only serve the citizens of this state, but it will also save the state money, and it will be something that will make Michigan a leader and help in our economic development too. I think those are great goals, and I applaud the Governor for proposing this program.

By unanimous consent the Senate returned to the order of

### **Introduction and Referral of Bills**

Senators Barcia, Schauer, Jelinek, Allen, Sanborn, Gilbert, Goschka, Olshove, Basham and Garcia introduced **Senate Bill No. 1025, entitled**

A bill to prohibit employers from making employment decisions based upon firearms ownership or licensing that is unrelated to employment; to prohibit retaliation; and to provide remedies.

The bill was read a first and second time by title and referred to the Committee on Commerce and Labor.

Senators Hardiman, Cropsey, Hammerstrom and Sikkema introduced

**Senate Bill No. 1026, entitled**

A bill to amend 1969 PA 306, entitled "Administrative procedures act of 1969," by amending section 32 (MCL 24.232). The bill was read a first and second time by title and referred to the Committee on Families and Human Services.

Senators Cropsey, Hammerstrom, Sikkema and Hardiman introduced

**Senate Bill No. 1027, entitled**

A bill to amend 1979 PA 218, entitled "Adult foster care facility licensing act," by amending section 10 (MCL 400.710), as amended by 1986 PA 257.

The bill was read a first and second time by title and referred to the Committee on Families and Human Services.

Senators Sanborn, Cropsey, Hammerstrom, Sikkema and Hardiman introduced

**Senate Bill No. 1028, entitled**

A bill to amend 1939 PA 280, entitled "The social welfare act," by amending sections 1 and 6 (MCL 400.1 and 400.6), as amended by 1995 PA 223.

The bill was read a first and second time by title and referred to the Committee on Families and Human Services.

Senators Hammerstrom, Sikkema, Hardiman and Cropsey introduced

**Senate Bill No. 1029, entitled**

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 2233 (MCL 333.2233), as amended by 1996 PA 67.

The bill was read a first and second time by title and referred to the Committee on Families and Human Services.

Senators Hammerstrom, Sikkema, Hardiman and Cropsey introduced

**Senate Bill No. 1030, entitled**

A bill to amend 1974 PA 258, entitled "Mental health code," by amending sections 114 and 114a (MCL 330.1114 and 330.1114a), section 114 as amended and section 114a as added by 1995 PA 290.

The bill was read a first and second time by title and referred to the Committee on Families and Human Services.

**House Bill No. 5154, entitled**

A bill to amend 1987 PA 248, entitled "Airport parking tax act," by amending section 7a (MCL 207.377a), as added by 2002 PA 680.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Finance.

### Committee Reports

The Committee on Commerce and Labor reported

**House Bill No. 4855, entitled**

A bill to amend 1933 PA 167, entitled "General sales tax act," by amending section 4x (MCL 205.54x), as amended by 2004 PA 173.

With the recommendation that the bill pass.

The committee further recommends that the bill be given immediate effect.

Jason E. Allen  
Chairperson

To Report Out:

Yeas: Senators Allen, Toy, McManus, Schauer and Olshove

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Commerce and Labor reported

**House Bill No. 4856, entitled**

A bill to amend 1937 PA 94, entitled "Use tax act," by amending section 4k (MCL 205.94k), as amended by 2002 PA 669.

With the recommendation that the bill pass.

The committee further recommends that the bill be given immediate effect.

Jason E. Allen  
Chairperson

## To Report Out:

Yeas: Senators Allen, Toy, McManus, Schauer and Olshove

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Commerce and Labor reported

**House Bill No. 5471, entitled**

A bill to amend 1996 PA 381, entitled "Brownfield redevelopment financing act," by amending sections 2, 13, and 15 (MCL 125.2652, 125.2663, and 125.2665), as amended by 2005 PA 101.

With the recommendation that the bill pass.

The committee further recommends that the bill be given immediate effect.

Jason E. Allen

Chairperson

## To Report Out:

Yeas: Senators Allen, Toy, McManus, Schauer and Olshove

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Commerce and Labor reported

**House Bill No. 5559, entitled**

A bill to amend 1995 PA 24, entitled "Michigan economic growth authority act," by amending sections 3 and 8 (MCL 207.803 and 207.808), section 3 as amended by 2004 PA 398 and section 8 as amended by 2005 PA 185.

With the recommendation that the substitute (S-1) be adopted and that the bill then pass.

The committee further recommends that the bill be given immediate effect.

Jason E. Allen

Chairperson

## To Report Out:

Yeas: Senators Allen, Toy, McManus, Schauer and Olshove

Nays: None

The bill and the substitute recommended by the committee were referred to the Committee of the Whole.

## COMMITTEE ATTENDANCE REPORT

The Committee on Commerce and Labor submitted the following:

Meeting held on Tuesday, January 31, 2006, at 3:00 p.m., Room 100, Farnum Building

Present: Senators Allen (C), Toy, McManus, Schauer and Olshove

## COMMITTEE ATTENDANCE REPORT

The Committee on Technology and Energy submitted the following:

Joint meeting held on Wednesday, February 1, 2006, at 8:30 a.m., Room 519, South Tower, House Office Building

Present: Senators Patterson (C), Kuipers, Birkholz, Brown, Cassis, Olshove, Leland and Thomas

## COMMITTEE ATTENDANCE REPORT

The Committee on Gaming and Casino Oversight submitted the following:

Meeting held on Wednesday, February 1, 2006, at 1:00 p.m., Room 100, Farnum Building

Present: Senators Allen (C), Bishop, Birkholz and Olshove

Excused: Senator Emerson

## COMMITTEE ATTENDANCE REPORT

The Committee on Health Policy submitted the following:

Joint meeting held on Wednesday, February 1, 2006, at 2:00 p.m., Senate Hearing Room, Ground Floor, Boji Tower

Present: Senators Hammerstrom (C), Patterson, George, Emerson and Jacobs

## COMMITTEE ATTENDANCE REPORT

The Subcommittee on Department of Community Health submitted the following:

Joint meeting held on Wednesday, February 1, 2006, at 2:00 p.m., Senate Hearing Room, Ground Floor, Boji Tower  
Present: Senators Stamas (C), George, Johnson, Garcia, Cherry and Clarke

**Scheduled Meetings**

**Appropriations** - Thursday, February 9, 1:00 p.m. or later immediately following Senate/House Appropriations Committee Meeting, Senate Appropriations Room, 3rd Floor, Capitol Building (373-2523)

**Subcommittees -**

**Community Colleges** - Wednesday, February 22, 12:30 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-6960)

**Community Health Department** - Tuesdays, February 14, February 21, February 28, and March 14, 2:00 p.m., Senate Hearing Room, Ground Floor, Boji Tower (373-7946)

**Judiciary and Corrections** - Tuesday, February 21, 3:00 p.m., Room 402, Capitol Building (373-3760)

**K-12, School Aid, Education** - Thursday, February 16, 12:30 p.m., Rooms 402 and 403, Capitol Building (373-6960)

**Natural Resources Department** - Wednesdays, February 15, 8:30 a.m., and February 22, March 1, March 8, and March 15, 3:00 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-1725)

**Transportation Department** - Tuesdays, April 18, April 25, May 2, May 9, May 16, and May 23, 2:00 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-2523)

**Transportation Department and Transportation** - Tuesday, February 14, 1:00 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-2523)

**Appropriations, Senate/House** - Thursday, February 9, 12:00 noon, House Appropriations Room, 3rd Floor, Capitol Building (373-2523)

**Finance** - Wednesday, February 8, 1:00 p.m., Room 110, Farnum Building (373-1758)

**Judiciary** - Tuesday, February 7, 1:00 p.m., Room 210, Farnum Building (373-3760)

**Technology and Energy** - Wednesday, February 8, 3:00 p.m., Room 210, Farnum Building (373-7350)

**Transportation and Transportation Department Appropriations Subcommittee** - Tuesday, February 14, 1:00 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-7708)

Senator Hammerstrom moved that the Senate adjourn.  
The motion prevailed, the time being 10:57 a.m.

The President pro tempore, Senator Birkholz, declared the Senate adjourned until Tuesday, February 7, 2006, at 10:00 a.m.

CAROL MOREY VIVENTI  
Secretary of the Senate

