
VETOES

VETOES

March 15, 2002

Michigan House of Representatives
State Capitol Building
Lansing, Michigan 48913

Ladies and Gentlemen:

Today I have vetoed and am returning to you herewith, Enrolled House Bill 4022.

Enrolled House Bill 4022 would amend the Michigan Vehicle Code to include township governments in the process for deciding speed limits for county roads. I have always been a supporter of sound traffic engineering science. I am concerned that, under this legislation, objective facts will be ignored in the face of emotional appeals to alter speed limits.

Current statute requires the county road commission and the Department of State Police to jointly determine upon the basis of an engineering and traffic investigation the speed limits on county roadways. This study consists of site visits, speed and traffic volume studies, traffic accident data analysis, and input from local officials. This process produces a consistent, statewide standard.

The process of setting speed limits is often an emotional issue. Traffic accidents that receive intense media coverage frequently spur requests for changes in speed limits, regardless of the actual cause of those accidents. Traffic volume and accident data are two critical factors in determining a realistic speed limit. Emotionally charged decisions regarding changes in speed limits most often result in speed limits set unreasonably low. This tends to undermine legitimate speed limits and enforcement of traffic safety laws.

Furthermore, the current statute allows townships input in the speed limit review process. MCL 257.628(2) allows townships to petition the county road commission to approve proposed changes in speed limits. This language was recently added at the request of townships in PA 167 of 2000. I believe that this new provision should be given more time to address the concerns of Enrolled House Bill 4022.

Lastly, the current process results in adjustments to speed limits by a unanimous agreement of the county road commission and the Michigan State Police. This bill could result in decisions made not on objective fact but by two of the parties in agreement with the third dissenting.

For the above stated reasons, I am returning Enrolled House Bill 4022 without signature.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 4022, referred to above, is compiled in *Michigan House Enrolled Bills (2002)*.

April 1, 2002

Michigan State Senate
State Capitol Building
Lansing, Michigan 48913

Ladies and Gentlemen:

Today I have signed Enrolled Senate Bill 1105, which provides fiscal year 2003 appropriations for Higher Education. However, I am returning it to you because of items

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of which I disapprove, pursuant to Article V, Section 19, of the Michigan Constitution. The specific items vetoed are contained within the attached copy of the bill, which has been filed with the Secretary of State.

Higher education clearly remains one of the state's top priorities. For fiscal year 2003, operations support for Michigan's 15 public universities is maintained at current year levels. In return, the universities have agreed to constrain tuition increases for next year to a maximum of 8.5 percent, or \$425. Our higher education leaders are to be applauded for their commitment to control tuition costs. I appreciate the legislature's swift passage of the fiscal year 2003 higher education budget which helps bring certainty to college tuition costs for next year. This budget will ensure that our higher education institutions remain affordable.

Similar to university operations funding, state support for the Agricultural Experiment Station, Cooperative Extension Service, student financial aid programs, and degree reimbursement grants to independent colleges is maintained at the fiscal year 2002 level. An increase of \$11.3 million, for a total of \$114.3 million is appropriated to pay for Michigan Merit Awards for qualifying students in the class of 2003.

The budget includes \$2 million to support project planning and design for our efforts to locate the federally funded Rare Isotope Accelerator on the Michigan State University campus. This project will enable Michigan to become the world's leading center for research in nuclear structure and nuclear astrophysics.

This bill also includes \$4 million for a new nursing scholarship program. Nurses are an important component of our health care delivery system. In response to the current nursing shortage, the scholarship funds are intended to provide an incentive for students to enter the nursing profession. I look forward to working with the legislature on implementing legislation for this scholarship program.

I am vetoing the \$236,900 grant to the Michigan Molecular Institute (MMI). MMI has become successful in the commercialization of its scientific pursuits and it can continue to prosper without this grant.

I am vetoing the \$135,300 grant for the Spring Arbor University prison program, which is no longer operational.

This fiscal year 2003 budget continues Michigan's tradition of strong support for higher education. I again thank the legislature for its work in expediting the adoption of this important budget bill.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled Senate Bill No. 1105, referred to above, became P.A. 2002, No. 144.

July 6, 2002

Michigan House of Representatives
State Capitol Building
Lansing, Michigan 48909

Ladies and Gentlemen:

I was pleased to sign into law a Quality Assurance Assessment for nursing homes and health maintenance organizations (HMOs). I was willing to support the assessment because

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the nursing home community and HMOs collectively agreed to it, and it established a mechanism for providing a funding increase of 5 percent for nursing homes and 7 percent increase for HMOs in a time when state funding is scarce.

A similar proposal for Michigan's hospitals could generate an additional \$143 million for Medicaid patients. The additional funds, when compared to current levels, would have provided hospitals an increase of 15 percent in 2003 and 22 percent in 2004. These additional funds were targeted to those hospitals that needed it most – based upon the number of Medicaid patients they serve.

There is another approach being advocated by the Lansing-based Michigan Health & Hospital Association. This approach attempts to use the Constitution as a method to fund special interest groups, by using taxpayer dollars to establish a \$50 million corporation that will operate outside of public scrutiny and oversight. The proposal also claims to lock up the Tobacco Settlement revenues for health care spending. It appears the special interests and Michigan Health and Hospital Association have no qualms about jeopardizing future funding for other state priorities such as public safety, health, higher education, community colleges, corrections and children.

For decades, the state covered the exorbitant costs of tobacco related illnesses for our low-income residents in the Medicaid program, all at the expense of many other important programs such as education and senior health care. The state sued the tobacco companies to recoup these dollars and the Michigan Legislature chose to invest these funds into programs that benefit the entire state in one way or another.

The ballot proposal and the Quality Assurance Assessment Program are inseparable. The state can afford one, but not both. The choice is straightforward. One program offers \$143M in additional Medicaid dollars into the system. The other, the promise of a bitter electoral battle for the hope of more funding in the future. I have been very clear throughout the entire legislative process that I would not support a hospital assessment if the ballot proposal moved forward.

Therefore, I cannot in good conscience sign this proposal. It would be fiscally irresponsible for me to sign Enrolled House Bill 5103 into law while special interests continue to advocate a constitutional amendment that would jeopardize the finances of the State of Michigan.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 5103 referred to above, is compiled in *Michigan House Enrolled Bills* (2002).

July 23, 2002

Michigan House of Representatives
State Capitol Building
Lansing, Michigan 48909

Ladies and Gentlemen:

Today I have vetoed and am returning to you herewith Enrolled House Bill 4990.

Enrolled House Bill 4990 would increase the maximum number of members permitted to serve on the Special Education Advisory Committee (SEAC). I fully support special education services for our children. However, I have traditionally opposed, and oppose in this instance, increasing membership of state advisory boards or committees when not absolutely necessary.

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Currently the SEAC is located in the Department of Education, and its members are appointed by the State Board of Education. The membership is capped in state law at 27. Enrolled House Bill 4990 proposes an increase in the SEAC to comply with a 1997 federal amendment to the Individuals with Disabilities Education Act (IDEA) that required representation of two new very important areas, transition services and charter and private schools. The federal amendment also required that 51 percent of the SEAC's members be persons with a disability or the parents of persons with a disability.

I support the 1997 federal amendment; however, I do not believe the SEAC needs more members to comply with its provisions. The SEAC is currently operating with 51 percent of its members meeting the disability requirement and recently added the two new federally required groups. The State Board of Education has already increased, in direct violation of state statute, the membership on the committee to 29. Rather than increasing the number of SEAC members, the State Board of Education should work together and utilize their eight at-large member appointments to meet federal and state requirements.

With the right leadership, the State Board of Education could easily rearrange the current membership on the SEAC to meet federal and state requirements. I believe they can maintain the 27 members currently allowed by state law and in that number include the two new federally-required representatives and remove voting members that overlap responsibilities or groups that are not statutorily required.

As mentioned before, I wholeheartedly support special education services in Michigan and believe this advisory committee is important. I also believe that more members on the SEAC are not necessary to achieve its goals. For this reason, I am returning Enrolled House Bill 4990 without signature.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 4990, referred to above, is compiled in *Michigan House Enrolled Bills (2002)*.

July 25, 2002

Michigan State Senate
State Capitol Building
Lansing, Michigan 48909

Ladies and Gentlemen:

Today I have vetoed and am returning to you herewith, Enrolled Senate Bill 117.

As enrolled, Senate Bill 117 would have reduced the "trigger" measure for pausing the reduction in the Single Business Tax rate to \$50,000, and would have doubled the annual rate reduction under certain circumstances. I cannot endorse these changes.

When I signed the elimination of the Single Business Tax into law as Public Act No. 115 of 1999, it was clearly understood that the fiscal health of the state could change at some point in the future. In recognition of that fact, the Legislature added the provision pausing the steady reduction of the tax if the balance of the Countercyclical Budget and Stabilization Fund (BSF) fell below \$250 million. That was a wise provision, and I was pleased to sign it into law. The business community affirmed its support of the trigger publicly at that time.

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The merits of the trigger remain unchanged. The trigger level of \$250 million is a prudent standard. It offers a minimum level of protection for critical state programs during periods of economic decline and helps protect the state's AAA bond rating. Reducing the trigger to \$50,000, conversely, would preclude a measured approach to balancing the state budget, and would jeopardize the state's credit rating.

In returning Senate Bill 117 without my signature, I also reject the notion that the business community is being singled out and punished. To the contrary, the business community will continue to realize significant tax relief even without this bill.

My signature on Enrolled Senate Bill 1322 will free approximately 13,000 businesses from Single Business Tax liability, and will save those taxpayers \$18.5 million in 2003 alone. In addition to this relief, the debate on taxation of businesses operating in Michigan should begin now. Enrolled Senate Bill 1322 calls for the repeal of the Single Business Tax Act at the end of calendar year 2009.

The business community as a whole will realize approximately \$200 million in relief from unemployment insurance costs in 2002 with savings of at least \$100 million in 2003. Businesses will also see state education property tax reductions totaling \$80 million because of Public Act No. 244 of 2002. As a result, businesses located in Michigan may well be the only ones in the nation who will be receiving any state tax relief in 2003.

I applaud the State Senate and the House of Representatives for making numerous difficult choices in drafting a balanced state budget, but I cannot approve legislation that undermines the fiscal well being of the state.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled Senate Bill No. 117, referred to above, is compiled in *Michigan Senate Enrolled Bills (2002)*.

July 25, 2002

Michigan House of Representatives
State Capitol Building
Lansing, Michigan 48933

Ladies and Gentlemen:

Today I have signed Enrolled House Bill 5648, which provides \$245 million to support the operations of the Judicial branch of government during fiscal year 2003. However, I am returning it to you because of one item of which I disapprove, pursuant to Article V, Section 19, of the Michigan Constitution. The specific veto is contained in the attached copy of the bill, which has been filed with the Secretary of State. My action today:

- Provides \$71.0 million for Trial Court operations, including reimbursement to all 83 counties.
- Provides \$2.5 million for the Community Dispute Resolution Program, which assists local courts with resolving disputes as an alternative to more costly court action.
- Provides \$563,700 for the addition of five new judgeships resulting from Public Acts 251 through 258 of 2001, and \$190,200 for salary adjustments associated with the conversion of three part-time probate judges to full-time status pursuant to Public Act 92 of 2002.

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- Reduces general fund spending by more than \$1 million due to a corresponding increase in Court Fee Fund revenues.

My action today also vetoes one item with which I do not concur. I have vetoed boilerplate section 319, which creates an attorney Debt Management Loan Program. I do not support the use of State Services Fee Fund revenues for this purpose, as it conflicts with the intended use of the funds as contained in the Casino Gaming statute (Public Act 70 of 1997).

I commend the Legislature for its work on this budget. I also wish to express my appreciation to Chief Justice Corrigan for her continued strong leadership and support in working with both the Executive and Legislative branches of government to finalize the fiscal year 2003 budget.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 5648, referred to above, became P.A. 2002, No. 515.

July 25, 2002

Michigan House of Representatives
State Capitol Building
Lansing, Michigan 48933

Ladies and Gentlemen:

Today I have signed Enrolled House Bill 5642 the Fiscal Year 2003 appropriations bill for the Department of Agriculture. However, I am returning it to you because of items of which I disapprove, pursuant to Article V, Section 19, of the Michigan Constitution. The specific vetoes are contained in the attached copy of the bill, which has been filed with the Secretary of State.

My action today provides over \$95 million in funding to support the agricultural, environmental and food safety responsibilities of the Department of Agriculture. In addition, this bill:

- Includes \$630,000 in federal funding for microbiological data monitoring in cooperation with the United States Department of Agriculture.
- Provides \$300,000 in additional federal environmental protection resources in support of laboratory testing the efficacy of disinfectant products used in veterinary clinics, hospitals, nursing homes and other private or public entities.
- Includes increased federal funding of \$44,600 for animal feed monitoring as part of the Pesticide and Plant Pest Management program.
- Provides \$142,200 in increased support for the Grape and Wine program using available non-retail liquor license fee revenue.
- Provides \$78,100 in increased federal support for pesticide data program monitoring of fruit and vegetables for pesticide residue.

My action today vetoes sixteen items with which I do not concur:

- I have vetoed \$50,000 for open space development rights easements, and related language in section 605. I do not support the use of Environmental Protection Fund resources for this purpose.

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- I have vetoed \$60,000 for fairs and festivals promotion, and related language section 816 which directs that the funding be used to provide grants to the industry for statewide volunteer staff education and promotion of commodities. There is no demonstrated need for this funding and, instead, I am directing the Department of Agriculture to work cooperatively with the Michigan Travel Bureau to integrate festival promotional activities into the ongoing tourism agenda. I am also directing the department to work with the Department of History, Arts and Libraries where specific cultural promotional opportunities can be identified for collaboration.
- I have vetoed \$3,747,700 for the Office of Racing Commissioner and \$1,194,200 for thirteen horse racing line items. I cannot support additional State Services Fee fund revenue for the Office of Racing Commissioner, and related enhancements to the horse racing program. My Executive recommendation for the horse racing industry grants reflected the anticipated available revenues; it would be inappropriate to augment funding in this area beyond that which can be supported by equine revenue. I support restoration of funding for the Office of Racing Commissioner and associated equine industry grants at the original recommended levels, which can be supported with the available revenue.

This bill, with necessary restorative action, will support the operations of the Department of Agriculture for fiscal year 2003. I commend the Legislature for its work on this budget.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 5642, referred to above, became P.A. 2002, No. 516.

July 25, 2002

Michigan House of Representatives
State Capitol
Lansing, Michigan 48933

Ladies and Gentlemen:

Today I have signed Enrolled House Bill 5643, the fiscal year 2003 appropriation for the Department of Career Development and the Michigan Strategic Fund. However, I am returning it to you because of items of which I disapprove pursuant to Article V, Section 19, of the Michigan Constitution. The specific vetoes are included in the attached copy of the bill, which has been filed with the Secretary of State.

This bill provides over \$461 million for the Department of Career Development and more than \$153 million for the Michigan Strategic Fund. My action today:

- Maintains tobacco settlement funding (\$45.0 million) for the Life Sciences Corridor. This funding will facilitate important health-related research and will foster commercialization and collaboration opportunities in life science research.
- Adds federal funding to the Department of Career Development for Gear-up Grants (\$3.0 million), Employment Training Services (\$2.1 million), Vocational Rehabilitation Services (\$1.15 million), Carl D. Perkins Grants (\$1.0 million), Career and Technical Education (\$500,000), and the Michigan Career and Technical Institute (\$349,700).

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- Increases support for Vocational Rehabilitation Independent Living Centers by \$25,000.

However, due to the current budget constraints, I have vetoed \$25,000 earmarked to promote tourism activities in the northeast region of the State (Section 405). The Michigan Promotion Program is a statewide program and funding should not be limited to a specific region of the state.

I have also vetoed Section 418 (11) which appropriates up to \$1,000,000 for the Capital Access Program. Supplemental funding was provided for this purpose in fiscal year 2002, with the understanding that it was for one year only.

I thank the Legislature for its work on this important budget bill.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 5643, referred to above, became P.A. 2002, No. 517.

July 25, 2002

Michigan State Senate
State Capitol
Lansing, Michigan 48909

Dear Legislators:

Today I have signed Enrolled Senate Bill 1099, the fiscal year 2003 appropriations bill for Capital Outlay. However, I am returning it to you because of items of which I disapprove pursuant to Article V, Section 19, of the Michigan Constitution. The specific vetoes are contained in the attached copy of this bill, which has been filed with the Secretary of State.

This bill will provide landmark support for a new Airport Safety and Protection (ASAP) Plan that will provide \$1 billion over the next five years for airport safety and security projects. This investment positions Michigan to meet the challenges of new homeland security requirements at our state's critical airport facilities. The ASAP plan provides for the issuance of bonds to help the state leverage \$160 million annually in federal funds for statewide airport improvements. Combined with other state and local funds, the fiscal year 2003 appropriation for airport capital improvements totals \$229 million.

The bill also supports federal and state restricted projects for the departments of Agriculture, Natural Resources, and Transportation. Key projects financed include: farmland and open space preservation (\$7.5 million), expansion of the Mackinac Island marina (\$9 million), marina construction in Mackinaw City (\$3 million), state park and wildlife area maintenance (\$4 million), deer habitat acquisition (\$1.5 million), and construction of a new welcome center in Monroe (\$3 million). Minimal special maintenance support for various state agencies is also approved in this appropriations bill.

My action today includes the veto of all nineteen planning authorizations included in Enrolled Senate Bill 1099 for state higher education institutions. During my tenure as Governor, Michigan has invested in over 100 projects, totaling \$1.9 billion, at state universities and community colleges. State Building Authority rent obligations total over \$290 million in fiscal year 2003, including almost \$150 million for university and community college projects. My support for higher education and the capital needs of our public institutions is unwavering. This bill contains planning authorizations for several fine

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projects, and it is unfortunate that they will not be able to move forward. However, in light of pressures on the state budget from various ballot initiatives, as well as current economic conditions, this is not the time to increase future general fund obligations for debt service payments.

I thank the Legislature for their work on this budget bill.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled Senate Bill No. 1099, referred to above, became P.A. 2002, No. 518.

July 25, 2002

Michigan State Senate
State Capitol Building
Lansing, Michigan 48909

Ladies and Gentlemen:

Today I have signed Enrolled Senate Bill 1101, the Fiscal Year 2003 Department of Community Health appropriation. However, I am returning it to you because of items of which I disapprove, pursuant to Article V, Section 19, of the Michigan Constitution. The specific items vetoed are contained within the attached copy of the bill that has been filed with the Secretary of State.

This bill appropriates over \$9.6 billion, an amount which represents a significant commitment to the health of Michigan's citizens. Highlights of the bill include:

- The appropriation of over \$6.3 billion to support the Medicaid program, which provides health care for 1.2 million low income residents of Michigan. I commend you for protecting this essential program from major budgetary reductions, even in this constrained economy.
- The provision of over \$2 billion to support mental health and substance abuse services. The continuance of this generous level of funding to Community Mental Health Service Programs will support quality care for those most in need.
- The appropriation of nearly \$550 million for other public health and aging programs.
- The authorization of \$95 million in additional federal funding to support the Medicare Low-Income Drug Assistance and Medicaid Pharmacy Plus Waiver program.

Unfortunately, the proposed constitutional amendments which will be decided this November would seriously constrain our ability to finance the appropriations in this budget and the balance of state government. Given this uncertainty, I am compelled to reduce appropriations through vetoes and administrative action in order to maximize the state's flexibility to address the general fund financing shortfalls that will occur if the ballot initiatives are adopted.

Accordingly, I have directed the Department of Community Health to delay implementation of the MIFamily program – a Medicaid waiver that would expand health care coverage and mental health services to approximately 200,000 Michigan residents – until we can be certain that we can afford to commit the necessary state resources to this expansion.

In addition, I have vetoed the following appropriations because they inappropriately restrict funding to selected providers or specific areas of the state: Sections 412, 852, 1025, and 1646.

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I am vetoing the following appropriations because they spend scarce state resources on low priority initiatives: Sections 419, 430, 431, 447, 449, 805, 853, 1136, 1508, and 1645.

I am vetoing the following appropriations because they are already appropriated through Public Act 303 of 2002: the Long-Term Care Services line item, the Home and Community Based Waiver line item, the Personal Care Services line item, and the Adult Home Help line item, and related boilerplate sections 1680, 1681, 1684, 1684a, 1685, 1687, 1688, 1689, 1690, 1701, 1702, 1703, 1710, and 1712.

I am vetoing all or a portion of the following appropriations because they are already appropriated through Public Act 304 of 2002: the Health Maintenance Organizations line item, and related boilerplate sections 1612(2), 1653, 1654, 1657(4), 1658, 1660(3) - (5), and 1661.

I am vetoing Section 448 because a rule recently issued by the federal government will prevent the state from assessing a quality assurance assessment fee for Community Mental Health Services Programs.

Finally, I am vetoing Section 1124 because it attempts to appropriate funds not yet received by the state.

While I have found it necessary to make numerous modifications to the bill you sent me, I have concurred with the vast majority of your appropriation actions. I appreciate the Legislature's cooperation in the development of a particularly difficult budget and your sincere effort to be fiscally responsible in this time of restricted revenue.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled Senate Bill No. 1101, referred to above, became P.A. 2002, No. 519.

July 25, 2002

Michigan House of Representatives
State Capitol Building
Lansing, MI 48933

Ladies and Gentlemen:

Today I have signed Enrolled Senate Bill 1104, the fiscal year 2003 appropriations bill for the Department of Environmental Quality. I am, however, returning it to you because of two items of which I disapprove, pursuant to Article V, Section 19, of the Michigan Constitution. The specific vetoes are contained in the attached copy of the bill, which has been filed with the Secretary of State. My action today:

- Provides \$2.5 million in additional funding to establish and operate a comprehensive water-monitoring program for the Lake St. Clair watershed.
- Provides \$2.0 million in additional funding for the Environmental Cleanup and Redevelopment Program for state match commitments for Municipal Landfill Match Grants.
- Provides \$683,000 to expand the department's efforts in plugging abandoned or improperly closed oil or gas wells.
- Provides \$300,000 for an increase in the Water Pollution Control Grants program.
- Includes an additional \$180,000 for the Drinking Water program. These resources will be directed towards further development of the statewide groundwater database and additional public education efforts.

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- Provides \$144,000 additional funding for the Geological Survey Division and supports additional staffing to increase oil and gas site inspections.

My action today also vetoes funding for the Arsenic Testing and Public Education Program. Current-year funding for this purpose has already been approved. This funding will implement the program, thereby removing the need for a fiscal year 2003 appropriation for the same purpose.

I have vetoed Section 602, which provides funding for the posting of beach signs at publicly owned beaches. I support the use of federal funding, available through grants to local health departments, for this purpose.

This bill supports the essential operations of the Department of Environmental Quality for fiscal year 2003. I commend the Legislature for its prompt action in finalizing this budget.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled Senate Bill No. 1104, referred to above, became P.A. 2002, No. 520.

July 25, 2002

Michigan State Senate
State Capitol
Lansing, Michigan 48909

Ladies and Gentlemen:

Today I have signed Enrolled Senate Bill 1103, the fiscal year 2003 appropriations bill for the Department of Education. However, I am returning it to you because of items of which I disapprove pursuant to Article V, Section 19, of the Michigan Constitution. The specific vetoes are contained in the attached copy of the bill, which has been filed with the Secretary of State.

This bill will provide over \$215 million for preK-12 education programs that support professional preparation programs, early intervention programs, educational choice, and technical assistance to local districts. My action today:

- Adds \$946,900 to support student participation in the school breakfast program. The current program provides over 195,000 children at 2,975 schools with free or reduced price breakfasts.
- Supports the addition of over \$10 million in federal funding for administrative costs associated with the new Elementary and Secondary Education Act (ESEA) programs such as Reading First grants, Teacher Quality grants, Rural and Low Income School program, and Community Service grants. The bill also contains additional state funds for more department oversight of special education programs.
- Adds state restricted funds (\$300,000) to enhance the Off-Road Vehicle and Motorcycle Safety Training Programs.
- Increases funding for teacher scholarships to become certified by the National Board of Professional Teaching Standards (\$50,000).

However, due to current budget constraints, I have vetoed Section 211(2)(e), which provides funding to advertise the Anti-Violence School Hotline. The hotline itself has been in existence since 2001 and I cannot support the use of scarce state resources for

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promotional activities. This veto will not affect the operations of the hotline itself. I have also vetoed Section 221, which establishes a school health services consultant position. I do not support the creation of a specialized position at this time.

I thank the Legislature for its work on this important budget bill.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled Senate Bill No. 1103, referred to above, became P.A. 2002, No. 522.

July 25, 2002

Michigan House of Representatives
State Capitol Building
Lansing, MI 48933

Ladies and Gentlemen:

Today I have signed Enrolled Senate Bill 1106, the fiscal year 2003 appropriations bill for the Department of Natural Resources. However, I am returning it to you because of two items of which I disapprove, pursuant to Article V, Section 19, of the Michigan Constitution. The specific vetoes are contained in the attached copy of the bill, which has been filed with the Secretary of State.

My action today completes the fiscal year 2003 budget for the Department of Natural Resources, and:

- Provides \$2.0 million in state support to continue wildlife testing and management costs in the effort to eradicate Bovine Tuberculosis in the state's deer and elk herds.
- Increases Land and Water Conservation Fund grants by \$1.5 million to provide funding to local units of government and to the state to acquire and develop land for outdoor recreation.
- Includes \$1.2 million for debt service payment on revenue bonds issued for renovations at Sterling State Park in Southeast Michigan.
- Increases funding for the Cooperative Resources Programs by \$400,000 to provide forestry and natural resource assistance to private landowners and communities through soil conservation districts.
- Provides \$400,000 to the Office of Property Management to increase delinquent property tax inspections.
- Increases general law enforcement funding by \$225,000 for operational costs of shooting ranges and \$200,000 for additional snowmobile enforcement efforts.
- Strengthens efforts to recover unpaid oil and gas royalty payments by providing an additional \$168,000 to expand oil and gas lease compliance audits.

My action today also vetoes two items with which I do not concur. I have vetoed boilerplate section 1051 that appropriates \$1,897,600 in Environmental Protection Fund resources for the payment of taxes on state lands in fiscal year 2003, as well as boilerplate section 1451 that appropriates \$598,700 of Environmental Protection Fund resources for the same purpose in fiscal year 2002. I do not believe this is an appropriate use for these environmental protection funds. I urge the legislature to enact a permanent solution to the funding shortfall for payments in-lieu-of taxes. I have proposed options to address this problem but I remain willing to work with the legislature on other options which permanently address this issue.

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I commend the Legislature for its cooperation in finalizing the fiscal year 2003 budget for the Department of Natural Resources.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled Senate Bill No. 1106, referred to above, became P.A. 2002, No. 525.

July 25, 2002

Michigan House of Representatives
State Capitol Building
Lansing, MI 48933

Ladies and Gentlemen:

Today I have signed Enrolled House Bill 5650, the Fiscal Year 2003 appropriations bill for the Department of State Police. However, I am returning it to you because of items of which I disapprove, pursuant to Article V, Section 19, of the Michigan Constitution. The specific vetoes are contained in the attached copy of the bill, which has been filed with the Secretary of State.

My action today provides over \$415 million to support the critical law enforcement activities of the Michigan State Police. Among other items, this bill:

- Provides \$12.5 million in support of the secondary road patrol program funded entirely with secondary road patrol and training assessment fees, resulting in a general fund savings of \$6.3 million since fiscal year 2001.
- Includes \$2.8 million in additional restricted funds to support the criminal justice information center division. The additional funds are a result of Public Act 463 of 2002, which increased fingerprint fees and Public Act 472 of 2002, which increased application fees to set aside convictions.
- Includes \$2.8 million in additional federal support for anti-terrorism equipment with 80 percent of that amount going to local law enforcement agencies.
- Includes \$1.6 million in additional restricted funds to support the forensic science division. The additional funds are a result of Public Act 87 of 2001, which requires all convicted felons to provide a DNA sample with an assessment fee of \$60.
- Transfers \$400,000, 6 FTE positions, and oversight of the private security guard/private detective programs to the Department of Consumer and Industry Services. Oversight of private security police will remain with the department.

My action today also vetoes three items with which I do not concur. I have vetoed boilerplate section 262, which earmarks funding for a feasibility study regarding a common facility for the Jackson state police post, the Jackson County sheriff's department, and the city of Jackson police department. Such a study may well be warranted but should be conducted with all three parties actively involved. I fear that assigning responsibility for this study to the Michigan State Police may result in a study that reflects state needs, but that is disregarded by local law enforcement. I firmly believe in cooperation, however, all three entities should come together as full partners.

I have also vetoed boilerplate section 701, which earmarks cigarette tax revenues for a grant to the city of Detroit. I do not support the use of tobacco tax resources for this purpose, since those resources are needed to satisfy the overall budget problem. In

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addition, I have also vetoed boilerplate section 1202, which earmarks funding for an aeronautics safety officer position within the Department of Transportation. I do not support the establishment of a specialized position at this time.

This bill supports the essential operations of the Department of State Police for fiscal year 2003. I commend the Legislature for its cooperation in completing this budget in a timely manner.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 5650, referred to above, became P.A. 2002, No. 526.

July 25, 2002

Michigan House of Representatives
State Capitol Building
Lansing, Michigan 48933

Ladies and Gentlemen:

Today I have signed Enrolled House Bill 5644 containing fiscal year 2003 appropriations for the Department of Consumer and Industry Services. However, I am returning it to you because of two items of which I disapprove, pursuant to Article V, Section 19, of the Michigan Constitution. The specific items vetoed are contained within the attached copy of the bill which has been filed with the Secretary of State.

The budget you have sent to me will provide the funding necessary for this department to continue to support the health, safety, and economic well being of the public through effective oversight and customer services. I am pleased that the budget bill will appropriately relocate licensure functions for security guards, alarm system contractors and private detectives from the Department of State Police to Consumer and Industry Services.

Further, I commend the Legislature for its support for additional nursing scholarships and an initiative to examine ways to alleviate the current nursing shortage. Finally, the increase in the number of Section 8 housing rental vouchers provided by this budget is a positive addition to our efforts to promote quality, affordable housing.

Unfortunately, the proposed constitutional amendments which will be decided this November would seriously constrain our ability to finance the appropriations in this budget and the balance of state government. Given this uncertainty, I am compelled to reduce appropriations through vetoes in order to maximize the state's flexibility to address the general fund financing shortfalls that will occur if the ballot initiatives are adopted. Accordingly, I have vetoed the appropriation for Fire Protection Grants in Part 1 of this bill and in Section 262.

I have also vetoed the provision in the bill which would have required funding for six worker's compensation mediators positions from the appropriations for the Bureau of Worker's and Unemployment Compensation. This item represented an inappropriate and burdensome restriction on the Department's ability to allocate personnel based on caseload requirements.

I have also vetoed the provision in the bill which would earmark funds for Community Action Agencies (CAAs) from the appropriation for low-income energy efficiency

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assistance. It is my position that these funds should be distributed on a competitive basis with matching requirements.

I appreciate the Legislature's cooperation in the development of this budget.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 5644, referred to above, became P.A. 2002, No. 527.

July 25, 2002

Michigan House of Representatives
State Capitol Building
Lansing, Michigan 48913

Ladies and Gentlemen:

Today I have signed Enrolled House Bill 5646, the fiscal year 2003 General Government budget bill, which provides funding for the departments of Attorney General, Civil Rights, Civil Service, Information Technology, Management and Budget, State, Treasury, the Executive Office, and the Legislature. However, I am returning it to you because of three items of which I disapprove, pursuant to Article V, Section 19 of the Michigan Constitution. The vetoes are contained in the attached copy of the bill, which has been filed with the Secretary of State.

My action today provides \$2.1 billion to support essential government functions. Among other items, this bill:

- Provides \$10.7 million in federal support to implement the federal "No Child Left Behind Act of 2001" to bolster accountability in education.
- Provides \$4.8 million for increased security services in public buildings.
- Includes \$2.9 million for health and safety, commercial mobile radio services, and senior citizen cooperative housing tax exemption grants to local units of government, consistent with statutory requirements.
- Transfers \$424.0 million from state agencies to the Department of Information Technology. This new agency will strengthen central decision-making, provide for an integrated statewide technology plan, and improve information management.
- Provides \$2.4 million to implement a state-of-the-art system to manage the state's pension and revenue investments.
- Provides \$3.1 million to fully establish a tax reverted property system for tax delinquent homes to facilitate restoring those properties to productive use.
- Provides \$2.2 million to establish an electronic motor fuel system to improve tax compliance, revenue collection and information exchanges between the United States and Canada.

Unfortunately, the proposed constitutional amendments which will be decided this November would seriously constrain our ability to finance the appropriations in this budget and the balance of state government. Given this uncertainty, I have reluctantly vetoed statutory revenue sharing grants to local units of government in order to maximize the state's flexibility to address the general fund financing shortfalls that will occur if the ballot initiatives are adopted. Even with this veto, the budget still contains almost \$680 million in constitutional revenue sharing payments to local governments. I am willing to

VETOES 2002

restore funding for statutory revenue sharing payments in November when there is more certainty about the outcome and impact of the ballot initiatives and the continuing economic slump.

In addition, I have also vetoed \$9.9 million for grants to local governmental units and related boilerplate Section 972. These one-time grants were intended to compensate local governmental units whose fiscal year 2003 revenue sharing payments were less than fiscal year 2002 revenue sharing payments.

Lastly, I have vetoed \$1.0 million in State Services Fee Fund revenues for the development and implementation of a vertical driver license and personal identification card program for persons under the age of 21. While such a program may have merit, I believe that this is an inappropriate use of the State Services Fee Fund and that the \$1.0 million cost is excessive.

This action completes the fiscal year 2003 General Government appropriation. I commend the Legislature for its timely work on this important bill.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 5646, referred to above, became P.A. 2002, No. 528.

On August 13, 2002, two-thirds of the members elected to and serving in the House of Representatives and the Senate passed the vetoed line items in HB 5646 (2002 PA 528), the objections of the Governor to the contrary notwithstanding.

July 25, 2002

Michigan House of Representatives
State Capitol Building
Lansing, Michigan 48933

Ladies and Gentlemen:

Today I have signed Enrolled House Bill 5645, the fiscal year 2003 appropriation for the Family Independence Agency (FIA). However, I am returning it to you because of items of which I disapprove, pursuant to Article V, Section 19, of the Michigan Constitution. The specific items vetoed are contained within the attached copy of the bill, which has been filed with the Secretary of State.

Members of the Legislature deserve to be commended for their support of Michigan's ongoing welfare reform policies. The Family Independence Program (FIP) monthly average caseload was only 70,821 in June, more than a 69 percent reduction from the peak of 229,300 cases experienced in fiscal year 1993. The savings from these caseload declines have been redirected to support the Day Care needs of Michigan's working families and other high priority FIA programs. In fiscal year 2003, funding for the Day Care program exceeds funding for the FIP program by more than \$90 million.

I am pleased with the support that you provided for core FIA programs. Thanks to your support of the \$26.6 million Adoption Subsidy increase, 24,500 children will be provided permanent adoptive homes. Because of a \$28.6 million Child Care Fund increase which you supported, counties will be fully funded in their efforts to serve troubled and neglected children.

I am also pleased that you responsibly met targeted funding levels while protecting key FIA programs and initiatives. The necessary reductions which you adopted should have little impact on the department's focus of meeting the needs of families and moving them toward self-sufficiency.

VETOES 2002

However, this bill deviates unacceptably from my budget recommendations in several key areas. My action today vetoes:

- Section 407, which earmarks funds to a specific provider and provides a funding increase during the current difficult economic circumstances. This section provides funding for services which more appropriately belong in the Department of Career Development budget. I therefore recommend that this agency compete for the funding available from that department, rather than seeking special allocations in the FIA budget.
- Portions of Section 413, which funds numerous new and expanded initiatives with the Child Support Enforcement System penalty refund that we hope to receive during fiscal year 2003. These initiatives expand and create new programs and could require FIA to enter into numerous small contracts that will be difficult and expensive to administer. Now is not the time for increased funding commitments for new programs. It is therefore more appropriate to preserve these funds to protect core programs.
- Section 519, which provides a six-month 1 percent rate increase for private foster care agencies and institutions. I do not support this small and targeted rate increase given that no other rate increases have been funded in this budget.
- Section 668, which requires FIA to develop a community-based child care pilot program. Again, given the current economic circumstances, and the fiscal uncertainty caused by the constitutional amendment ballot initiatives, now is not the time to initiate new programs.
- Section 710, which requires the department to continue certain contracts for day treatment programs. These contracts provide 100 percent state funding in a few counties, while all other counties must provide 50 percent local match for similar services. This inequitable funding arrangement should not continue.

I commend the Legislature for its timely action on this bill.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 5645, referred to above, became P.A. 2002, No. 529.

July 25, 2002

Michigan House of Representatives
State Capitol Building
Lansing, Michigan 48913
Ladies and Gentlemen:

Today I have signed Enrolled House Bill 4373. However, I am returning it to you because of several items of which I disapprove, pursuant to Article V, Section 19 of the Michigan Constitution. The specific vetoes are contained in the attached copy of the bill, which has been filed with the Secretary of State.

This supplemental budget bill provides \$1,021.7 gross (negative \$68.0 million general fund) in fiscal year 2002 supplemental funding to complete action on the agreement to balance the fiscal year 2002 budget. It provides funding for caseload increases and other essential needs and includes necessary reductions in general fund spending.

VETOES 2002

My action today includes vetoes of:

- \$80,000 for the Glen Oaks Community College Outreach Center. Given the state's current revenue situation, it would be inappropriate to fund a new project at this time.
- \$15,800 for city of Flint mayoral election expenses; funding for this special local election is not a state responsibility.
- \$3.5 million for declining enrollment grants and related boilerplate section 551 as this item duplicates appropriations in Enrolled House Bill 5881, which I intend to sign.
- \$120,000 for the Old 27 North-Whitemarsh project and a \$120,000 reduction for the Department of Natural Resources for national recreational trails. It is my understanding that the intent of these appropriations was to enhance and transfer funding from the Department of Natural Resources to the Department of Transportation to complete construction of the separated grade crossing at the Old 27 North-Whitemarsh intersection of the Gaylord-Cheboygan Trail. I do not believe this adjustment is necessary as the Department of Natural Resources intends to honor its original commitment for funding and completion of this project.
- Section 204 because it does not appropriately reflect the agreement to carry forward \$35 million in tobacco tax revenue from fiscal year 2002 to fiscal year 2003.
- Section 411 which increases the St. Clair Community College construction authorization by \$4.0 million for renovation of the North Building which the State Building Authority has indicated is not bondable. This item was removed, with the college's consent, from the program statement and schematic plans submitted to the Joint Capital Outlay Subcommittee.

I thank the Legislature for their work on these supplemental appropriations.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 4373, referred to above, became P.A. 2002, No. 530.

September 30, 2002

Michigan House of Representatives
State Capitol Building
Lansing, Michigan 48909

Dear Legislators:

Today I have signed Enrolled House Bill 5651, the FY 2003 appropriations bill for the Department of Transportation. However, I am returning it to you because of items of which I disapprove pursuant to Article V, Section 19, of the Michigan Constitution. The specific vetoes are contained in the attached copy of this bill, which has been filed with the Secretary of State.

This bill will provide support for the rebuilding, repair and maintenance of Michigan's roads and bridges. The State of Michigan will invest over \$3.1 billion in fiscal year 2003 for improvements on the state trunkline system, local road and bridge projects, and intermodal transportation services. In addition, my action today:

VETOES 2002

- Establishes the debt service appropriation for the Airport Safety and Protection (ASAP) Plan, a new five-year, \$1 billion initiative to improve safety and security at our state's aviation facilities.
- Begins implementation of the Diesel Equity and Simplification Package via \$2.2 million provided to the Department of Treasury for enhanced motor fuel tax enforcement efforts.

Finally, I have vetoed the following items for the reasons noted below:

1. Section 405—My action includes the veto of section 405, which earmarks \$24 million in federal funds for the repair/replacement of local bridges. I have vetoed similar earmarks in fiscal years 2000, 2001 and 2002, and my position on this issue remains unchanged. Michigan must expend its federal aid bridge funds where they will have the most impact for motorists--on the high-level state trunkline system. I have supported the restoration of these bridge funds in the past, most recently in Public Act 530 of 2002, and will again in fiscal year 2003, but only to the extent that 15 percent of federal bridge funds are allocated for local bridges.
2. Sections 351, 355, 611, 612, 613, 614, 615, 616, and 617--The inclusion of these types of special interest projects for lane closure incentives, pavement demonstration projects, all-season access roads, interchange studies, and traffic lights undermines the department's five-year planning process.
3. Section 618—My action includes the veto of language requiring the Department of Transportation to select Alternative II for the I-94 freeway modernization project in Jackson County. This mandate would cost taxpayers \$100 million in unnecessary project expenditures. The Department of Transportation has already selected and submitted Alternative I to the Federal Highway Administration and a draft Environmental Impact Statement has been approved. It is my firm conviction that these kinds of technical decisions need to be left to the transportation experts, and should not be the subject of appropriations boilerplate.
4. Section 803—My action also includes the veto of section 803. I cannot support the creation of this position when the state aeronautics fund has experienced such significant declines in available revenues. We must protect these resources for critical airport security programs.

It would have been my intention to veto section 404. However, this language, which stipulates \$3.8 million in Congressionally earmarked federal TEA-21 high priority funds be expended for preliminary engineering and design work related to rehabilitation and capacity improvements to I-94 between US-131 and Sprinkle Road in Kalamazoo County, is an expression of legislative intent not a condition of appropriation. I have again directed the department to proceed with the implementation of this TEA-21 high priority project in the manner and location they believe best meets the transportation needs of the area.

While I am not vetoing the interdepartmental grant to State Police, I am directing the Departments of Transportation and State Police that they are under no mandate to spend the additional \$1.4 million added to this line item to support motor carrier enforcement efforts.

I thank the Legislature for supporting this budget bill, and urge members to act expeditiously on the remaining components of the Diesel Equity and Simplification and Airport Safety and Protection Plan initiatives.

Sincerely,
John Engler
Governor

VETOES 2002

November 27, 2002

Michigan House of Representatives
State Capitol Building
Lansing, MI 48913

Ladies and Gentlemen:

I am returning without signature House Bill 4647.

I do not believe there is sufficient evidence demonstrating the necessity to register respiratory therapists in the State of Michigan. In Michigan, respiratory therapists practice under the supervision and direction of licensed physicians. This oversight provides sufficient protection to the public health and safety of Michigan's residents.

Although registration is sometimes needed to protect the public health, safety and welfare, I am very concerned about the potential increase in the cost of respiratory therapist services to Michigan consumers by restricting access to the profession. Registration requirements may also create unnecessary burdens for those already working in the profession by imposing educational requirements beyond those actually needed in their job. Registration has the additional liability of reducing the supply of otherwise qualified respiratory therapists to hospitals and other employers recruiting new employees. Furthermore, the National Board for Respiratory Care maintains an excellent system of accreditation based on stringent testing and high standards. Therefore, state registration of respiratory therapists is unnecessary and costly to Michigan's health care system.

For these reasons I am vetoing House Bill 4647.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 4647, referred to above, is compiled in *Michigan House Enrolled Bills (2002)*.

December 30, 2002

Michigan House of Representatives
State Capitol Building
Lansing, MI 48913

Ladies and Gentlemen:

Today I returning to you herewith, Enrolled House Bill 5291.

The bill would broaden the application of an offense variable of the sentencing guidelines to include all cases where a child either witnesses a violent crime or observes the physical results of violent crime against a family member.

While the intent of the bill is laudable, it would undermine the current statutory framework developed by the independent and bi-partisan Sentencing Commission. Statutory revision of the guidelines to assign new crimes to an existing classification has become commonplace. However, this bill is unparalleled as it seeks to greatly enhance the penalties for an entire class of crime and crime victims.

The Sentencing Commission was required to assess the weight of all offense variables on the population capacities of state and local correctional facilities. In this case however, it appears there has been inadequate consideration given as to how this bill would affect the state and local governments' ability to incarcerate and effectively supervise offenders not subject to its application.

VETOES 2002

Under current law, certain violent perpetrators who cause psychological trauma to children requiring professional treatment already face enhanced sentencing. In addition, Michigan law provides that a sentencing court may justify an upward departure from the recommended guidelines by reference to legitimate factors not considered by the guidelines, including the crime's affect on children. A judge's ability to depart from the recommended sentencing guidelines, along with Michigan's truth-in-sentencing law, provides a firm and effective response to criminals who assault their victims in the presence of children.

The effectual protection of our laws requires that government apportion finite state and local correctional resources intelligently and resourcefully. Often the answer is not found in new legislation, but rather in more effective handling of current duties. For example, while the prosecutor of Michigan's largest county was an advocate for this legislation it could be argued that greater jail capacity and fewer pre-trial releases in Wayne County could together stem significantly more crime. Hopefully, legislators in the future will look at such tough issues rather than passing an unfunded mandate that cannot deliver what it promises.

It is for the above stated reasons that I am returning Enrolled House Bill 5291 without signature.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 5291, referred to above, is compiled in *Michigan House Enrolled Bills (2002)*.

December 30, 2002

Michigan House of Representatives
State Capitol Building
Lansing, Michigan 48913

Ladies and Gentlemen:

I am returning to you without signature, Enrolled House Bill 5523.

Education and transportation are vital issues to economic expansion in southeast Michigan. Southeast Michigan needs a strategy for both education and transportation. Neither issue is more important than the other. This bill addresses only the transportation issue. Without a solution or plan of attack to the education challenges of southeast Michigan, I cannot sign this bill.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 5523, referred to above, is compiled in *Michigan House Enrolled Bills (2002)*.

December 30, 2002

The Michigan State Senate
State Capitol Building
Lansing, Michigan 48913

Ladies and Gentlemen:

I am returning to you herewith Enrolled House Bill 5977 without signature.

VETOES 2002

This bill purports to raise funding for local corrections officer training. I do not support this proposal because it is my belief that local communities continue to push their prison population onto the state corrections system, thus increasing our cost of training, not the locals. Until local units of government take more responsibility for the housing of criminals in this state, I will not be able to support this fee increase.

For this reason, I am returning to you Enrolled House Bill 5977 without signature.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 5977, referred to above, is compiled in *Michigan House Enrolled Bills (2002)*.

December 30, 2002

Michigan House of Representatives
State Capitol Building
Lansing, Michigan 48913

Ladies and Gentlemen:

I am returning to you without signature, Enrolled House Bill 5467.

Education and transportation are vital issues to economic expansion in southeast Michigan. Southeast Michigan needs a strategy for both education and transportation. Neither issue is more important than the other. This bill addresses only the transportation issue. Without a solution or plan of attack to the education challenges of southeast Michigan, I cannot sign this bill.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 5467, referred to above, is compiled in *Michigan House Enrolled Bills (2002)*.

December 30, 2002

The Michigan House of Representatives
State Capitol Building
Lansing, Michigan

Ladies and Gentlemen:

I am returning House Bill 5952 to you without my signature because it would impose an undue administrative burden on the Department of Management and Budget and future administrations.

Under the provisions of Enrolled House Bill 5952, the Department of Management and Budget would be required to ensure its purchases of paper and wood products complied with one or more of eight different standards for sustainable forest areas and resulting products.

The State of Michigan would have to verify whether numerous suppliers and vendors complied with at least one standard, and would be subject to litigation for improperly classifying vendors accordingly.

VETOES 2002

Moreover, unlike present state law on the purchase of products with recycled materials, HB 5952 would require the state to give preference to wood and paper products meeting these standards even if their costs were prohibitive or they were not readily available.

I applaud the concerns that motivated the supporters of this legislation, and am hopeful for a meaningful compromise in the future, but can not endorse HB 5952 in its present form with my signature. Thank you for your attention to this matter.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 5952, referred to above, is compiled in *Michigan House Enrolled Bills (2002)*.

December 30, 2002

Michigan House of Representatives
State Capitol Building
Lansing, Michigan 48913

Ladies and Gentlemen:

I am returning to you herewith Enrolled House Bill 5978 without signature.

This bill purports to raise funding for local corrections officer training. I do not support this proposal because it is my belief that local communities continue to push their prison population onto the state corrections system, thus increasing our cost of training, not the locals. Until local units of government take more responsibility for the housing of criminals in this state, I will not be able to support this fee increase.

For this reason, I am returning to you Enrolled House Bill 5978 without signature.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 5978, referred to above, is compiled in *Michigan House Enrolled Bills (2002)*.

December 30, 2002

Michigan House of Representatives
State Capitol
Lansing, MI 48913

Ladies and Gentlemen:

Today I have vetoed and am returning to you herewith, Enrolled House Bill 6120.

Given the current budget restraints we cannot add new burdens on the Department of Community Health, at the time. A short term alternative is to compete more effectively for federal money and to support outstanding private sector efforts like those of the Susan B. Komen foundation, which sponsors the annual "Race for the Cure."

For the above stated reason, I am returning Enrolled House Bill 6120 without signature.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 6120, referred to above, is compiled in *Michigan House Enrolled Bills (2002)*.

VETOES 2002

December 30, 2002

Michigan House of Representatives
State Capitol
Lansing, MI 48913

Ladies and Gentlemen:

Today I am returning to you herewith Enrolled House Bill 4017.

The House or the Senate may amend its rules to include the Pledge of Allegiance at the start of each session. Also, acting together the House and the Senate could amend the Joint Rules of the House and Senate to require that each session begin with the Pledge of Allegiance. Pursuant to the Michigan Constitution, Article IV, Section 16, the legislative branch is constitutionally empowered to set its rules and procedures. This bill invites the executive branch to participate in the exercise of a power reserved to the legislative branch. I decline to do so and I would caution legislators in both the House and Senate to be more alert in the future and keep the founders arguments about separation of power in mind.

For this fundamental reason, I am returning Enrolled House Bill 4017 without signature.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 4017, referred to above, is compiled in *Michigan House Enrolled Bills (2002)*.

December 30, 2002

Michigan House of Representatives
State Capitol Building
Lansing, Michigan 48913

Ladies and Gentlemen:

Today I have signed Enrolled House Bill 5705. However, I am returning it to you because of several items of which I disapprove, pursuant to Article V, Section 19 of the Michigan Constitution. The specific vetoes are contained in the attached copy of the bill, which has been filed with the Secretary of State.

This supplemental budget bill provides funding of \$19.2 million (**negative** \$8.5 million general fund) for fiscal year 2002 and \$117.8 million (**negative** \$40 million general fund) for fiscal year 2003. This bill is an integral part of our fiscal year 2003 budget reduction strategy.

I thank the Legislature for its work in balancing the budget for fiscal years 2002 and 2003.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled House Bill No. 5705, referred to above, became P.A. 2002, No. 746.

VETOES 2002

December 30, 2002

The Michigan State Senate
State Capitol Building
Lansing, Michigan 48913

Ladies and Gentlemen:

Today I have vetoed and am returning to you herewith, Enrolled Senate Bill 1398.

Enrolled Senate Bill 1398 would allow a boarding school to own and use motor busses for transportation of pupils to or from school or school-related events. Current state statute prohibits the use of motor busses to transport pupils without a waiver from the Department of Education.

Enrolled Senate Bill 1398 would allow boarding schools to avoid the authorization process which is provided for the safety of our pupils. The department has issued a waiver to the only boarding school in Michigan that currently owns motor busses pursuant to MCL 257.1810a. Their permit requires drivers to take school bus driver's courses, requires access to driver records and requires an annual inspection of the motor busses by the Department of Transportation.

Also, I disagree with providing a blanket exemption for one type of school that may encourage the pursuit of legislative exceptions for other segments of the passenger transportation industry.

For the above stated reason, I am returning Enrolled Senate Bill 1398 without signature.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled Senate Bill No. 1398, referred to above, is compiled in *Michigan Senate Enrolled Bills (2002)*.

December 30, 2002

The Michigan State Senate
State Capitol Building
Lansing, Michigan 48913

Ladies and Gentlemen:

Today I have vetoed and am returning to you herewith, Enrolled Senate Bills 437 and 576. These bills would exempt from the sales and use taxes the purchase of an aircraft that is subsequently leased to a charter company.

I do not support this legislation for several reasons. First, purchasers of aircraft are already able to avoid the use tax on their purchases of these aircraft if they follow the appropriate procedures, which have been in existence for many years. Second, the provisions are retroactive to January, 1996. A seven year retroactivity provision is not warranted. The Legislature has already addressed this issue prospectively by passing House Bill 4507, which grants a 90-day window within which the taxpayer may structure his or her leases properly and register to collect and remit use tax on the lease payments. I supported this legislation and signed it into law as Public Act 255 earlier this year.

Finally, the uncertainty over the amount of revenue loss requires that any bills with a potential cost to the Treasury offer a compelling case for enactment. This legislation does not offer such a case.

VETOES 2002

For these reasons I am returning Enrolled Senate Bills 437 and 576 without signature.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled Senate Bill Nos. 437 and 576, referred to above, are compiled in *Michigan Senate Enrolled Bills (2002)*.

December 30, 2002

The Michigan State Senate
State Capitol Building
Lansing, Michigan 48913

Ladies and Gentlemen:

Today I am returning to you Enrolled Senate Bill 1353.

I have spent a good portion of my 12 years in office trying to make the tax filing process in Michigan easier on the residents of the state. I have also provided financial support to many projects for research in the life sciences industry. However, I cannot support legislation targeting one specific area of research when the state and nation are facing numerous medical challenges and research needs.

For this reason, I am returning this bill without signature.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled Senate Bill No. 1353, referred to above, is compiled in *Michigan Senate Enrolled Bills (2002)*.

December 30, 2002

The Michigan State Senate
State Capitol
Lansing, MI 48913

Ladies and Gentlemen:

Today I have vetoed and am returning to you herewith, Enrolled Senate Bill 638.

Enrolled Senate Bill 638 would allow the State Administrative Board to convey five buildings at the Kalamazoo Psychiatric Hospital to the Kalamazoo Community Health board. This bill would also allow the Kalamazoo CMH to sell two parcels for fair market value with the proceeds used to fund housing services.

Enrolled Senate Bill 638 gives a local organization the expressed ability to sell a state asset and keep the revenue. If the State was so inclined to dispose of this property it would be sold at fair market value.

For the above stated reason, I am returning Enrolled Senate Bill 638 without signature.

Sincerely,
John Engler
Governor

Compiler's note: Enrolled Senate Bill No. 638, referred to above, is compiled in *Michigan Senate Enrolled Bills (2002)*.

VETOES 2002

December 30, 2002

The Michigan State Senate
State Capitol Building
Lansing, Michigan 48913

Ladies and Gentlemen:

Today I have vetoed and am returning to you herewith, Enrolled Senate Bill 11.

Enrolled Senate Bill 11 amends Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451), to add requirements for rules that are developed to control emissions from the incineration of medical wastes.

Portions of this bill replicate and duplicate requirements contained under Part 138, Medical Waste, of the Public Health Code, 1978 PA 368, as amended (Act 368). In addition, the Michigan Department of Environmental Quality has promulgated a rule, pursuant to Part 55 of Act 451, to regulate air emissions from medical waste incinerators (Rule 933) that was effective on December 21, 2000. Rule 933 adopts the provisions of a federal regulation titled "Emission Guidelines and Compliance Times for Hospital/Medical/Infectious Waste Incinerators," in Title 40 of the Code of Federal Regulations, Part 60, Standards of Performance for New Stationary Sources, Subpart Ce. Rule 933 deviates from the federal regulation by including a more stringent mercury limit. Enrolled Senate Bill 11 prescribes emission limits and requirements equal to Subpart Ce.

The differences between the definitions in Act 368 and those in Subpart Ce will continually cause confusion to regulated sources, especially over what is to be regulated as "medical waste" and "pathological waste." This will be increasingly important as the United States Environmental Protection Agency promulgates regulations for pathological and other yet unregulated incinerators and the state promulgates rules based on these incinerators.

I believe Rule 933 adequately controls emissions from medical waste incinerators by adopting the federal standards for medical waste incinerators with the tighter limits for mercury.

For the above stated reasons, I am returning Enrolled Senate Bill 11 without signature.

Sincerely,
John Engler
Governor