

No. 95
STATE OF MICHIGAN
Journal of the Senate
96th Legislature
REGULAR SESSION OF 2011

Senate Chamber, Lansing, Tuesday, December 6, 2011.

10:00 a.m.

The Senate was called to order by the President, Lieutenant Governor Brian N. Calley.

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

Anderson—present
Bieda—present
Booher—present
Brandenburg—present
Casperson—present
Caswell—present
Colbeck—present
Emmons—present
Gleason—present
Green—present
Gregory—excused
Hansen—present
Hildenbrand—present

Hood—excused
Hopgood—present
Hune—present
Hunter—present
Jansen—present
Johnson—present
Jones—present
Kahn—present
Kowall—present
Marleau—present
Meekhof—present
Moolenaar—present
Nofs—present

Pappageorge—present
Pavlov—present
Proos—present
Richardville—present
Robertson—present
Rocca—present
Schuitmaker—present
Smith—excused
Walker—present
Warren—present
Whitmer—present
Young—present

Pastor Robert L. Crouch of First Baptist Church of Charlotte offered the following invocation:

O God, You have commanded us to pray for our government leaders, and so this morning, I lift up these Senators. We, the people, have set before them the task and responsibility of providing, promoting, and protecting the general welfare of all the citizens of Michigan. It is not a simple task or an easy task because of the differing views of what is best. It is a task, though, that must be undertaken.

It is a high calling to serve the citizens of Michigan as a Senator. Your word indicates that, whether they understand it or not, each Senator has a divine calling to serve. It is that calling in their lives and their responsibilities that they have that make the work done in this place holy.

So today, I pray that each Senator would recognize Your call and the work that they do is holy. I pray that today they would ask if the paths they are pursuing are holy and in the best interest of our state. I pray that today would be a day that we again are drawn together in unity to pursue the purpose of leading Michigan to the great future You have for us.

I thank You for their work. I pray for their strength and judgment as they fulfill Your call in their lives. Amen.

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

Motions and Communications

Senator Green entered the Senate Chamber.

Senator Hopgood moved that Senators Gleason, Young and Johnson be temporarily excused from today's session. The motion prevailed.

Senator Hopgood moved that Senators Hood, Gregory and Smith be excused from today's session. The motion prevailed.

Senator Meekhof moved that Senators Colbeck and Richardville be temporarily excused from today's session. The motion prevailed.

Recess

Senator Meekhof moved that the Senate recess subject to the call of the Chair. The motion prevailed, the time being 10:05 a.m.

11:25 a.m.

The Senate was called to order by the President, Lieutenant Governor Calley.

During the recess, Senators Gleason, Young, Richardville, Colbeck and Johnson entered the Senate Chamber.

Senator Meekhof moved that rule 2.106 be suspended to allow committees to meet during Senate session. The motion prevailed, a majority of the members serving voting therefor.

Senator Meekhof moved that the Committee on Appropriations be discharged from further consideration of the following bill:

Senate Bill No. 197, entitled

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 11 and 17b (MCL 388.1611 and 388.1617b), section 11 as amended by 2010 PA 217 and section 17b as amended by 2007 PA 137.

The motion prevailed, a majority of the members serving voting therefor, and the bill was placed on the order of General Orders.

Senator Meekhof moved that the rules be suspended and that the following bill, now on the order of General Orders, be placed on the General Orders calendar for consideration today:

Senate Bill No. 197

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

The following communication was received:
Public Service Commission

December 1, 2011

Enclosed is the first annual report on the operation and administration of the Michigan Intrastate Switched Toll Access Restructuring Mechanism (ARM), as required by Public Act 182 of 2009. Public Act 182 of 2009 amended Section 310 of the Michigan Telecommunications Act (MTA) to reform intrastate switched toll access charges for telecommunications providers in Michigan. The *Michigan Intrastate Switched Toll Access Restructuring Mechanism; 1st Annual Administrative Report* is also available on the Commission's website at www.michigan.gov/mpsc. The report explains the Commission's process for enacting Public Act 182 of 2009 and includes information about the first year of operation of the ARM.

The MTA, as amended by Public Act 182 of 2009, caps the rates providers charge to each other for originating and terminating intrastate access calls (intrastate toll calls) on their networks at rates no higher than each providers' corresponding rates for interstate access calls. As explained in detail in the report, the MTA includes two separate paths by which this reform of intrastate access rates occurs, depending on the type of provider. Providers have filed with the Commission new tariffs that reflect revised rates as allowed under the amended MTA.

The MTA, as amended by Public Act 182 of 2009, also established the Michigan Intrastate Switched Toll Access Restructuring Mechanism. The amended MTA established the ARM as a 12-year transition fund through which eligible providers can recover a portion of the lost revenues associated with the new requirements for lower intrastate access charges. The ARM is supported by monthly contributions from all providers of retail intrastate telecommunications services in Michigan. Pursuant to the MTA, the revenues associated with Voice over Internet Protocol service are exempt from the contribution calculation.

The Commission was charged with the administration of the ARM and, as such, established a new section, the Access Restructuring Fund Administration Section, within the Telecommunications Division to perform the daily administrative tasks associated with the ARM. The Commission tracks all contributions to the ARM, processes disbursements from the ARM, monitors the contribution percentage to ensure sufficient funding of the ARM, and handles any other tasks related to the operation of the ARM. The total amount collected for the first 12 months of the contributions to the ARM was \$17,487,621.15. The total amount disbursed to eligible providers for the first twelve months of disbursements was \$15,784,390.68. The Commission's administrative costs recovered from the ARM for the first year of operation were \$194,943.73. Detailed information about the Commission's process to implement the ARM, as well as the contributions, disbursements, and administrative costs for the first year of the ARM's operation is included in the report.

Finally, the report addresses the broader topic of intercarrier compensation reform, of which intrastate access reform is a component, at the federal level, as well as information about intrastate access reform in other states. Reform of the charges that providers use to compensate each other for originating and terminating calls on their networks is a priority for many in the telecommunications industry and regulatory community. Charges based on historical technologies no longer function well in today's rapidly changing telecommunications industry. The report addresses a recent order adopted by the Federal Communications Commission (FCC) on October 27, 2011. The text of that FCC order was released on Friday, November 18th. The Commission's technical and legal experts are currently reviewing the order to determine whether there may be impacts on Michigan's reform efforts, including the operation of the ARM. After a thorough review of the FCC's order, the Commission will apprise the Governor and Legislature of any developments that warrant action.

Very truly yours,
John D. Quackenbush, Chairman
Orjiakor N. Isiogu, Commissioner
Greg R. White, Commissioner

The communication was referred to the Secretary for record.

The Secretary announced that the following House bills were received in the Senate and filed on Thursday, December 1:
House Bill Nos. 4561 5011

The Secretary announced that the following official bills and joint resolution were printed on Thursday, December 1, and are available at the legislative website:

Senate Bill Nos. 856 857 858
Senate Joint Resolution R
House Bill Nos. 5188 5189 5190

The Secretary announced that the following official bills and joint resolution were printed on Friday, December 2, and are available at the legislative website:

Senate Bill Nos. 859 860 861 862 863 864 865
Senate Joint Resolution S
House Bill Nos. 5191 5192 5193 5194 5195 5196

Messages from the Governor

The following message from the Governor was received:

Date: November 30, 2011
Time: 3:20 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

Enrolled Senate Bill No. 759 (Public Act No. 234), being

An act to amend 1961 PA 236, entitled “An act to revise and consolidate the statutes relating to the organization and jurisdiction of the courts of this state; the powers and duties of the courts, and of the judges and other officers of the courts; the forms and attributes of civil claims and actions; the time within which civil actions and proceedings may be brought in the courts; pleading, evidence, practice, and procedure in civil and criminal actions and proceedings in the courts; to provide for the powers and duties of certain state governmental officers and entities; to provide remedies and penalties for the violation of certain provisions of this act; to repeal all acts and parts of acts inconsistent with or contravening any of the provisions of this act; and to repeal acts and parts of acts,” by amending section 151d (MCL 600.151d), as amended by 2009 PA 151.

(Filed with the Secretary of State on November 30, 2011, at 4:43 p.m.)

Respectfully,
Rick Snyder
Governor

The following message from the Governor was received on December 1, 2011, and read:

EXECUTIVE ORDER

No. 2011-13

**Governor’s Talent Investment Board
Workforce Development Agency
Michigan Strategic Fund**

**Rescission of
Executive Order 2004-36
Executive Order 2006-15**

WHEREAS, Section 1 of Article V of the Michigan Constitution of 1963 vests the executive power of the state of Michigan in the Governor; and

WHEREAS, the administration’s primary objective is the creation and cultivation of jobs; and

WHEREAS, the development of talent in Michigan’s workforce is an essential tool to attract and create jobs; and

WHEREAS, the state of Michigan is interested in partnering with experts in various aspects of workforce development;

NOW, THEREFORE, I, Richard D. Snyder, Governor of the state of Michigan, by virtue of the powers and authority vested in the Governor by the Michigan Constitution of 1963 and Michigan law, order the following:

I. GOVERNOR’S TALENT INVESTMENT BOARD

A. The Council for Labor and Economic Growth, created by Executive Order 2004-36, as amended by Executive Order 2006-15, and transferred to the Workforce Development Agency within the Michigan Strategic Fund by Executive Order 2011-4, is abolished.

B. The Governor’s Talent Investment Board is created as an advisory body within the Workforce Development Agency and shall be the state workforce investment board required for this state under Section 111 of the federal Workforce Investment Act of 1998, 29 USC 2821.

C. Executive Orders 2004-36 and 2006-15 are rescinded.

II. COMPOSITION OF THE GOVERNOR’S TALENT INVESTMENT BOARD

A. The Governor’s Talent Investment Board shall consist of forty-seven (47) members, including the following:

1. The Governor;
2. Two members of the Michigan House of Representatives, appointed by the Speaker of the Michigan House of Representatives. A member appointed under this subsection shall serve only while a member of the Michigan House of Representatives;
3. Two members of the Michigan Senate, appointed by the Majority Leader of the Michigan Senate. A member appointed under this subsection shall serve only while a member of the Michigan Senate;

4. Thirty-seven (37) members appointed and serving at the pleasure of the Governor, consisting of the following:
 - a. Twenty-seven (27) representatives of business in Michigan, who—
 - i. Are owners of businesses, chief executives or operating officers of businesses, and other business executives or employers with optimum policymaking or hiring authority;
 - ii. Represent businesses with employment opportunities that reflect the employment opportunities of the state;
 - iii. Are appointed from among individuals nominated by state business organizations and business trade associations;
 - b. One representative who is a chief elected executive officer of a city or a county;
 - c. Two representatives of labor organizations who have been nominated by state labor federations;
 - d. Two representatives of individuals and organizations that have experience with respect to youth activities;
 - e. Two representatives of individuals and organizations that have experience and expertise in the delivery of workforce investment activities, including chief executive officers of community colleges and community-based organizations within the state;
 - f. One representative in the state with expertise relating to Job Corps programs;
 - g. One representative in the state with expertise relating to Native American programs;
 - h. One representative in the state with expertise relating to migrant seasonal farm worker programs;
5. Five (5) members appointed by the Governor, including:
 - a. The President of the Michigan Strategic Fund;
 - b. The Director of the Department of Licensing and Regulatory Affairs;
 - c. The Director of the Department of Community Health;
 - d. The Director of the Department of Human Services; and
 - e. The Superintendent of Public Instruction.

B. The Governor shall designate a chairperson and vice-chairperson for the Governor's Talent Investment Board from among those members described in Section II (A.)(4.)(a.)(i.-iii.).

C. The Governor and the persons listed in Section II. (A.)(5.) may each send a designee to any meeting of the Governor's Talent Investment Board and that designee's attendance shall constitute attendance by the Governor or Board member listed in Section II. (A.)(5.) for quorum purposes. A person attending a Board meeting as a designee is authorized to exercise the vote on behalf of the person that they are representing at a Board meeting.

III. DUTIES AND OPERATIONS OF THE GOVERNOR'S TALENT INVESTMENT BOARD

A. The Governor's Talent Investment Board is an advisory body and is charged with advising and assisting the Governor regarding compliance with the federal Workforce Investment Act of 1998, 29 USC 2801 to 9201 ("Act"), and any regulations issued pursuant to the Act.

B. The Board may promulgate bylaws, not inconsistent with federal law, Michigan law, or this Order, governing its organization, operation, and procedures.

C. Michigan Strategic Fund personnel shall staff and assist the Board. The Michigan Economic Development Corporation may assist the Board in performing its functions if authorized under an agreement between the Michigan Economic Development Corporation and the Michigan Strategic Fund.

D. The Board shall meet at the call of the Chairperson and as may be provided in procedures adopted by the Board. Meetings of the Board shall be held within the state of Michigan.

E. A majority of the members of the Board constitutes a quorum for the transaction of business. The Board shall act by majority vote of serving members participating in a meeting. To the extent authorized by Michigan law, the Board may authorize members to participate in a Board meeting by the use of telephonic or video equipment. Members participating in a meeting via telephonic or video equipment shall be deemed present at the meeting. Voting shall be conducted in person or by use of telephonic or video equipment.

F. The Board may, as appropriate, make inquiries, studies, investigations, hold hearings, and receive comments from the public.

G. Members of the Board shall serve without compensation. Members of the Board may receive reimbursement for necessary travel and expenses according to relevant statutes and the rules and procedures of the Civil Service Commission and the Department of Technology, Management and Budget, subject to available appropriations.

H. As required under Section 111(f) of the federal Workforce Investment Act of 1998, 29 USC 2821(f), a member of the Board may not do any of the following:

1. Vote on a matter under consideration by the Board regarding the provision of services by the member or an entity the member represents.
2. Vote on a matter under consideration by the Board that would provide direct financial benefit to the member or the immediate family of the member. As used in this paragraph, "family" means that term as defined under Section 101(15) of the federal Workforce Investment Act of 1998, 29 USC 2801(15).
3. Engage in any other activity determined by the Governor to constitute a conflict of interest, as specified in the state plan outlining a 5-year strategy for the Statewide Workforce Investment System for this state, as required under Section 112 of the federal Workforce Investment Act of 1998, 29 USC 2822.

I. To assure full compliance with the sunshine requirements under Section 111(g) of the federal Workforce Investment Act of 1998, 29 USC 2821(g), meetings of the Board shall be held according to procedures established under the Open Meetings Act, 1976 PA 267, MCL 15.261 to 15.275.

J. To assure full compliance with the sunshine requirements under Section 111(g) of the federal Workforce Investment Act of 1998, 29 USC 2821(g), the Board is a public body under, and shall comply with, the Freedom of Information Act, 1976 PA 442, MCL 15.231 to 15.246.

K. Members of the Board shall refer all legal, legislative, and media contacts to the Michigan Strategic Fund.

IV. MISCELLANEOUS

Any suit, action, or other proceeding lawfully commenced by, against, or before any entity affected by this Order shall not abate by reason of the taking effect of this Order. Any suit, action, or other proceeding may be maintained by, against, or before any appropriate successor of an entity affected by this order.

This order is effective upon filing.

[SEAL]

Given under my hand and the Great Seal of the State of Michigan this 1st day of December in the year of our Lord, two thousand eleven.

Richard D. Snyder
Governor

By the Governor:
Ruth A. Johnson
Secretary of State

The executive order was referred to the Committee on Government Operations.

The following message from the Governor was received:

December 1, 2011

Attached is a copy of my Special Message on Talent Development to the first Session of the 96th Michigan Legislature. This message transmitting information on the affairs of state and recommending measures I consider necessary and desirable is presented to the Michigan Senate pursuant to Section 17 of Article V of the Michigan Constitution of 1963.

Sincerely,
Rick Snyder
Governor

The special message is as follows:

I. Introduction

At the core of Michigan's reinvention must be a commitment to ensuring that future generations have career opportunities in our state. In order for our children to stay and thrive in Michigan, we have to provide great educational opportunities, a quality of life that is second to none, and meaningful career options. Planning for the future does not, however, mean that we ignore the present. Times have been tough in Michigan. We have failed to think strategically about the relationship between economic development and talent. Job creators are finding it challenging to grow and develop without the right talent and job seekers are struggling to connect with the right opportunities that leverage their skills.

We must commit to addressing these challenges.

Working with the Legislature we have begun this process by creating a stable environment where businesses can grow and create jobs. By delivering a balanced budget, on-time, we have created the stable environment that businesses need to move forward with confidence. By rescinding tax credits for targeted industries and by opening up the 21st Century Jobs Fund to additional sectors, we are demonstrating our commitment to let the market decide where the best ideas and innovations will drive Michigan's future. By eliminating the Michigan Business Tax, we have shown our dedication to a fair and equitable tax plan that will allow employers to grow and invest in our state. And in February, I issued Executive Order 2011-5 creating the Office of Regulatory Reinvention to help Michigan construct a regulatory process that promotes economic growth.

Economic indicators show we are making progress. In the past year our unemployment figures have improved by 1%, we have added 49,000 jobs to Michigan's payrolls and - just last month - Bloomberg reported that Michigan is experiencing the 2nd strongest economic health in the country. As a state, we are in a better place today to invest in talent and create jobs than we were a year ago.

We have spent the past year strengthening opportunities for our students to take ownership of their education. We have begun to take the steps necessary to fully integrate Michigan's public education and create a P-20 system that prepares our students to compete for the best jobs available today and tomorrow.

We are continuing the process of creating better infrastructure, more efficient local governments and a healthier Michigan. Top companies around the world continue to report that quality of life issues, such as these, are critical to talent attraction and economic growth.

In the 20th century, the most valuable assets to job creators were financial and material capital. In a changing global economy, that is no longer the case. Today, talent has surpassed other resources as the driver of economic growth.

Today, too few workers have the skills needed to meet the demands of employers in the new economy. Despite an unemployment rate of 10.6%, thousands of jobs remain unfilled in Michigan.

Michigan companies report feeling the effects of a talent disconnect. The widespread retirement of baby boomers is leading to a loss of talent in the workplace and an increasingly technology-driven economy requires advanced skills that many of our workers do not have. A recent report by the World Economic Forum and the Boston Consulting Group notes that the United States will need to add more than 25 million workers to its talent base by 2030 to sustain economic growth.

Not only do Michigan employers have difficulty filling jobs today, but if we do not act, they will tomorrow as well. As an example, within 10 years, nearly 30% of upper level managers in agriculture are expected to retire. We are not currently developing the talent needed to fill these positions. Developing the next generation of agricultural talent is critical to our agricultural industry's ability to compete.

Agriculture is not alone in this problem. Engineers, nurses, welders, and a number of trades face significant staffing challenges. We must address these head-on.

To grow our economy businesses will need the right talent. To build a bright future for our young people, we must arm them with the right skill sets to succeed today and tomorrow.

Through bold actions and strong collaboration with our state Legislature, executive departments, local communities, and individual citizens, we will create a Michigan where our young people can live, work, play, and prosper and our talented workforce can succeed.

II. Pure Michigan Talent Connect

Addressing the current talent mismatch demands new tools that ensure Michigan's economic development and talent enhancement are occurring in tandem. This requires a comprehensive strategy that brings all stakeholders to the table and enables us to compete.

Today, I am unveiling a new tool that will better connect and develop Michigan talent. I have charged the Michigan Economic Development Corporation (MEDC) and the Department of Technology, Management and Budget (DTMB) with creating a new web-based talent marketplace, Pure Michigan Talent Connect.

Today in Michigan, multiple websites exist to help citizens connect with opportunities and employers connect with talent. However, many of these websites are duplicative or incomplete. Our new site will create a central hub linking private and public stakeholders. It will help connect Michigan's talent with opportunities for education, training, and employment. And it will allow employers to discover and retain Michigan talent that can help their company grow and flourish.

Pure Michigan Talent Connect will feature tools that job creators and job seekers need to make better informed decisions. Market analysis and input from economists has been used to identify labor trends and high-demand career paths for dislocated workers, college students, high school students and those entering the workforce after a long separation. Upon completion, users will be able to assess their skills, evaluate the return on investment for an education or training program, browse careers, and connect with mentors. Pure Michigan Talent Connect is at MiTalent.org.

Pure Michigan Talent Connect will be launched in a series of phases to be completed by June 2012. Today, we begin the first phase by introducing two exciting new tools: the "Career Matchmaker" and the "Career Investment Calculator." The "Career Matchmaker" will help individuals determine the industries and locations where their skills are in high demand today and are projected to be tomorrow. And for those pursuing training or retraining, the "Career Investment Calculator" will help them make informed decisions that lead to a job rather than a mountain of debt.

Today, job seekers must think strategically about career paths. Pure Michigan Talent Connect, once completed, will allow Michiganders to create an electronic talent portfolio early in their educational career, driving everything from curriculum choices to career paths. I have asked the Michigan Department of Education, the MEDC and the Workforce Development Agency to work together to encourage students, parents and educators to use MiTalent.org. For those who do not have web access at home, MiTalent.org will be accessible at local libraries and Michigan Works! offices.

Developing a comprehensive tool that coordinates Michigan's economic and talent development will require broad collaboration. I am grateful to businesses and organizations, including Kelley Services and the International Union of Operating Engineers (Local 324) who have already agreed to be full partners in this vision by pledging their support for Pure Michigan Talent Connect. Equally important are the education and training providers who have partnered with us, including Michigan's colleges and universities. I encourage others to follow their lead by joining this initiative and pledging their support at MiTalent.org.

III. Aligning Talent

Enhancing the quantity and quality of our talent is critical. We are not leveraging our resources efficiently to create a talent supply that meets the demands of Michigan's 21st century economy.

While the struggle to connect talent with employers is multifaceted, the primary reason employers are struggling to fill jobs is a mismatch between skill attainment and skill demand.

A recent study by the Georgetown University Center on Education and the Workforce projects that by 2018, 62% of Michigan jobs will require a post-secondary credential. Today only 35% of Michigan's adults hold one. We have a lot of work to do to develop a talent pool that will satisfy the needs of the new economy. Job growth projections can only be realized if

Michigan has the talent to support job providers. While traditional college attainment remains a vital part of our reinvention plan, we must recognize that associate degrees, advanced degrees and vocational credentials play equally important roles.

As a state, we must reject the thought that manufacturing is only in Michigan's history. It is also a critical part of our future. We will continue to develop some of the best skilled-trade talent in the country right here in Michigan. I am committed to partnering with our trade associations, including the International Union of Operating Engineers (Local 324) and the Michigan Regional Council of Carpenters, to increase attainment in the critical skills necessary to maintain our status as a leader in vocational talent.

Today's young employee will have multiple careers in his or her lifetime. This makes it more crucial than ever that the skills they attain in their post-secondary education are both marketable and transferable. Maintaining a skill set that is transferable among industries will help talent better prepare for Michigan's changing economy and more quickly connect with employment.

I am committed to partnering with Michigan's public colleges and universities to provide a post-secondary education that is marketable and transferable. A recent report by the Center for Michigan concluded that Michigan graduated 20% too few computer and math professionals, 14% too few health care professionals, and 3% too few engineers in 2009-10. Among our shortage, there is a common message. Addressing these deficits will require Michigan to invest in the development of science, technology, engineering, and math (STEM) and health industry talent. Otherwise, these shortfalls hold the potential to stunt Michigan's projected economic growth.

Just as talent must think strategically about a career path, the state must think strategically about its investment in our talent pipeline. State support of post-secondary education should be concentrated in areas that enhance our economic development strategy and provide our students an opportunity to stay and thrive in Michigan. We need to stop overproducing in areas where there is little or no occupational demand and encourage students and educational institutions to invest in programs where the market is demanding a greater investment in talent. The current imbalance creates a population of young talent that cannot find work in Michigan, is saddled with debt and is ultimately forced to leave the state. This is an outcome we cannot afford.

Moving forward, we will work with the universities and community colleges to create a system that efficiently integrates the goals of talent and economic development. We will do this by emphasizing the importance of transferable skills and high-demand degrees. A liberal arts education will continue to be important as the market identifies careers with increasing occupational demand. We know that a liberal arts education is valuable and can compliment our hard science skills. As an example, excelling in music can increase a student's aptitude in mathematics. We will create a model that recognizes the inherent value of both the hard sciences and liberal arts.

IV. Harnessing Talent

Developing young talent is a critical part of addressing the needs of our new economy. However, it would be misguided to forget about the large pool of well-developed talent we already have in our state. Our returning veterans, displaced workers and immigrant talent are all valuable. Leveraging their skills will be imperative to providing businesses the talent they need to be successful and grow. Through strong public-private partnerships, we will help them find a place for their talent in the new economy.

Veterans

Veterans bring a unique set of skills to Michigan, which benefit our communities and our economy. They have real-world work experience and transferrable technical expertise. Veterans possess leadership skills and a work ethic that have been tested at an early age under extreme circumstances. In addition, many veterans can prepare for a new career by attending college or vocational training at little or no cost under the Post 9-11 GI Bill.

Following WWII, our country's economy was transformed by returning servicemen using their GI Bill. The GI Bill helped 7.8 million veterans access an education that leveraged their talent and built the middle class. The GI Bill made possible the education of 14 future Nobel laureates, two dozen Pulitzer Prize winners, three Supreme Court justices, and three presidents of the United States, including Michigan's own Gerald R. Ford.

We are not properly connecting Michigan's returning veterans with opportunities. Nearly 45,000 Michiganders have served in Afghanistan and Iraq. Unfortunately, they have returned to a challenging business climate and to a world that does not fully understand how their military training can benefit today's employers. A failure to connect Michigan's returning Afghanistan and Iraq veterans with opportunity led to an unemployment rate of 29.4% among that population in 2010. During the same period, the national average was 11.5%.

Today, I am directing the Veterans' Services Division of the Workforce Development Agency to partner with Department of Military and Veterans Affairs to create a seamless delivery system for veteran benefits and employment services. This initiative will include co-locating veteran employment representatives and veteran service officers who help veterans access VA benefits including the Post 9-11 GI Bill. We will better coordinate with federal and local partners to connect veterans with education and employment opportunities.

Today, I challenge businesses that have not previously thought about reaching out to veterans to do so. I also ask employers of veterans to commit to helping those they employ more fully access their benefits. While our skilled trades are already doing a great job through programs like Helmets to Hardhats, we can do more.

I have asked the Detroit Regional Chamber to partner with the state to promote the benefits of hiring veterans. I am pleased to announce it has committed to include this important topic at the Chamber's Mackinac Policy Conference in 2012. Our veterans would be an asset to any employer. We must not squander their talent but develop it and retain it in Michigan.

Shifting Gears

For decades, our talent has excelled in managing and meeting the needs of manufacturers and large firms. With the downsizing of Michigan's largest businesses, some of our talent has found it difficult to transition into a new position, a smaller firm or a different industry.

Small-business growth will drive the new economy. In 2009, 98% of Michigan's employers were small businesses. These employers accounted for more than 1.8 million Michigan jobs. To fuel our economic reinvention we must provide small businesses the talent needed to grow.

Earlier this year, I asked MEDC to create Michigan Shifting Gears, a career-transition program for professionals who want to leverage their experience to pursue exciting small-business opportunities. Michigan Shifting Gears is a three month career-transition program that involves an executive education, mentorship and internship. It gives individuals the tools, networks, and training to repurpose their skills and rapidly re-enter the new economy. It has had great success, with approximately 50% of participants gaining employment within three months. With experienced leadership in the small business pipeline we are building a solid base for job creation. Today, I am asking MEDC to apply this model to address the critical need for computer programming talent by creating Shifting Code.

Currently, Michigan's shortage of programmers stifles the growth of high-tech companies and our ability to expand our portfolio of high-tech job creators. To address this problem, Shifting Code will create a supply of high-demand programmers while simultaneously giving small businesses the technology assistance they need. This innovative new program will launch in January 2012 with pilots in Kalamazoo, Ann Arbor, and Detroit.

MichAGAIN

We must view talent now residing outside our state that used to live, work, or go to school in Michigan as a network of support for our reinvention. One only has to look at the value of alumni to universities to imagine the impact that the State of Michigan's "alumni" could have on accelerating our state's growth.

MEDC has embarked on an innovative new recruiting campaign, MichAGAIN, reaching out to university alumni and business professionals in talent dense cities. MichAGAIN gives Michigan natives, who have left home, access to employers who are hiring and an invitation to return to be a part of our reinvention. It has already been successful in attracting highly educated talent back to the state for companies including AutoCam, Arbor Networks, and General Electric.

We must engage all of Michigan's talent and resources that are able and willing to help reinvent the state.

In October, Business Leaders for Michigan took the first step toward organizing the state's alumni by hosting nearly 20 business executives at a forum in Detroit. I was able to witness the success of that event first hand. The participants identified significant business investment leads, opportunities to attract venture capital and a willingness to spread the word about Michigan's turnaround.

Based on the success of that event, I have asked Business Leaders for Michigan to broaden its initiative and form a Michigan Ambassadors Program. The program will connect and engage State of Michigan alumni holding significant positions around the globe to identify opportunities to attract jobs, increase investment and promote the progress we are making to reinvent our state. I applaud this effort and look forward to its continued success.

International Investment and Talent

Highly educated and skilled immigrants are a key component to filling skill gaps and helping our businesses flourish. Many Michigan businesses are growing, but finding the right talent can be an obstacle. Retaining and attracting the best possible talent from around the world will fuel faster growth and help secure and create jobs for Michigan residents.

The Global Michigan Initiative is a collaborative statewide effort – spearheaded by the MEDC and the Michigan Department of Civil Rights – to retain and attract international, advanced degree and entrepreneurial talent to our state. One-third of high-tech businesses created in Michigan over the past decade were started by immigrants. Major Michigan-based companies like Dow Chemical, Meijer and Masco were founded by immigrants, and have an established track record of job creation.

While the Global Michigan Initiative can help our state recapture the entrepreneurial power of immigrants, aspects of the nation's immigration laws pose needless barriers to this success. Federal solutions are needed.

Immigration laws are established at the federal level, so it is important that Michigan partner with the federal government to better attract highly educated foreign talent. Immigration can be a divisive issue but common ground already exists around the need for investment and job growth as it pertains to immigrant talent.

Inflexible immigration laws delay foreign investment and impair job growth. We need to remove those barriers and we need help from the federal government to do so. Specifically, the EB-5 foreign investor program provides international investors the chance to live here by investing in Michigan's economy and creating jobs. However, the program is set to expire in September 2012. I will be petitioning the Secretary of the Department of Homeland Security to renew and make permanent the EB-5 Immigrant Investor Regional Center program. I will also recommend modifying the requirements so that an investor may qualify by creating at least five jobs in Michigan and investing \$500,000. We should not deter attracting eligible, willing investors to our state.

In addition to investment, foreign talent contributes to Michigan's economy by meeting employer demand in career fields where we currently lack critical skills. According to the National Science Foundation and the Congressional Research Service, the foreign student population earned approximately 36.2% of U.S. doctorate degrees in the sciences and approximately 63.6% of the doctorate degrees in engineering in the U.S. in 2006. Much of this talent is cultivated right here in Michigan at our universities.

Michigan excels at attracting and educating global talent for high-demand careers, and international students make a significant contribution to our state's economy. In 2010, Michigan ranked 9th highest among states hosting foreign students at public universities. Moreover, the net contribution to the state's economy by foreign students during 2010-2011 was more than \$705 million, according to the Institute of International Education. We cannot afford to lose these valuable members of our talent base to overseas competitors after years of development.

While foreign talent can readily obtain a student visa, remaining a member of the Michigan community is made extremely difficult for those desiring to do so under current immigration laws. The difficulty also significantly disrupts businesses that rely on these skilled and talented individuals. The federal government sets a cap of 65,000 on new H1-B temporary work visas, and there are only an additional 20,000 new H1-B visas available to individuals with U.S. advanced degrees. These caps are arbitrary and fail to recognize the harm done to local economies when states are forced to send away talent they have spent years developing.

Today, I am asking our congressional delegation to work with me to permanently raise the cap on immigrant professionals, and eliminate the cap for those holding a master's degree or higher from U.S. universities. I also encourage Congress to focus directly on addressing our critical skills gap, and pass proposed legislation to create a STEM education "green card." Creating an avenue for permanent residency status, through green cards, for foreign-born students who have earned graduate degrees in science, technology, engineering and mathematics (STEM) fields will allow us to retain the best and brightest foreign students. In doing this we can slow the practice of STEM professionals being educated in our schools and going back to their home countries to compete against U.S. firms. It is time to enact this legislation and allow these valuable members of our higher-education communities to become permanent, contributing members of our Michigan companies and communities.

As we become a more global Michigan, we can do more at home to grow our immigrant talent base. As parents, we can encourage our students to immerse themselves in new languages, cultures and ideas through study abroad experiences. As communities we can be more welcoming to global talent as well. Today, I am charging the MEDC and Michigan Department of Civil Rights with creating an innovative Cultural Ambassadors program that leverages Michigan's natural, technological and human resources to integrate new talent into our communities. By providing information that helps immigrant talent thrive, we will establish Michigan as a leading destination for the world's highly educated and skilled talent.

Aspiring Talent

Because of a nationwide shortage of talent, companies and regions worldwide are competing for the same employees. Those being sought are often educated and trained in Michigan. However, this generation is more educated and mobile than those past. Today, too many Michigan college graduates are leaving the state to seek employment elsewhere. We must reverse this trend.

To turn Michigan's economy around we must retain our talented young professionals. Building relationships between young talent and local organizations, businesses and communities will help us develop and retain the next generation of talent. We must provide meaningful opportunities to build those relationships through mentoring and internships.

The state Community Service Commission's Mentor Michigan program is a great resource for businesses and communities looking to engage in mentorship. Mentor Michigan partners with trusted community programs like Big Brothers and Big Sisters that guide Michigan's youth. I applaud their work, and am pleased with their commitment to expand efforts to make mentoring a lifelong activity.

Today, I am pleased to announce that Mentor Michigan and the Michigan Jaycees have committed to work together to leverage the talent of our young professionals to advance mentoring programs in Michigan. We are lucky to have a density of vibrant young professionals, who are enthusiastic about an opportunity to give back. The Michigan Jaycees continue to be a leader in peer mentorship, which is why I have asked them to lead a statewide effort to expand mentorship among professionals and their organizations. I encourage business and community leaders to join Mentor Michigan and the Jaycees in this effort.

We know that internships are a critical part of retaining talent. Studies show that it takes college graduates nine months to find their first job. During this time, graduates can get discouraged with the job market and leave the state to establish their careers elsewhere. More than 70% of college students who participate in a meaningful internship stay with the company and 83% of all college interns remain within the same community.

Securing positive outcomes and meaningful internships will require employers to incorporate a mentoring component in internship programs. Intern in Michigan is leading the way in connecting potential interns with businesses across the state. By better matching interns' skills with employers' needs, this free technology streamlines the hiring process in seconds.

Intern in Michigan has pledged its support for Pure Michigan Talent Connect. I encourage employers and prospective interns to seek out its assistance in creating meaningful, mentor-based, internship experiences.

Together, we can become mentors for a lifetime and retain our young talent.

V. Improving Systems

For far too long, both government and business perpetuated short-term solutions for long-term problems. Unemployment is not only detrimental to the economy but it demoralizes hard-working Michiganders. To reinvent Michigan, we must address barriers to re-employment and modernize our assistance programs. I am committed to ensuring that our programs help citizens transition to a new career rather than prolong under or unemployment.

Structurally Unemployed and Underemployed

Traditional assistance programs have often been a quick but temporary fix. They have not addressed the barriers to employment or provided individuals an avenue by which to gain the critical skills needed for today's economy. We can do better and we will do better. Moving forward, we will ensure that our programs are focused on moving people out of poverty and growing our middle class.

While more individuals are in need of assistance, state resources are strained to provide it. In order to assist those who are most challenged by the recession, we need innovative solutions that address the factors that contribute to structural unemployment. Structural unemployment is often affected by:

- 1) Lack of skills,
- 2) Illiteracy,
- 3) Scarce access to childcare, and
- 4) Insufficient modes of transportation.

These barriers make finding meaningful work difficult, prolong the need for public assistance, and stunt the growth of our middle class.

We are committed to addressing these barriers and helping Michiganders move from welfare to work. Low-income families in Michigan receive temporary cash assistance through a program that is supported, in part, by the federal Temporary Assistance for Needy Families (TANF) block grant. As a condition of receiving TANF funds, all states administer a work participation program to assist low-income residents in obtaining employment. Michigan administers its work participation services through the Jobs, Education, and Training (JET) program. In recent years, Michigan has failed to meet prescribed federal work participation rates. The "work participation rate" is a measure of the percentage of TANF recipients regularly engaged in employment-or employment-related activities intended to help them secure employment.

To increase Michigan's work participation rates, I have asked the Department of Human Services (DHS), to work in conjunction with the Department of Licensing and Regulatory Affairs (LARA), the Department of Technology Management and Budget (DTMB), and the Workforce Development Agency, to overhaul and redesign Michigan's JET program. The goals of the JET redesign are:

- (1) To meet or exceed federal work participation rates, and
- (2) Connect needy families to ongoing and sustainable work and help them find a path to economic security.

The JET redesign will do this by tying workforce development funds to meaningful performance measures. Through the redesign, partners are building a data-sharing system that will reliably measure the impact of the JET program, identifying and replicating innovations that successfully assist recipients in gaining employment.

While government is equipped to do many things well, public-private partnerships are also a part of the solution. As an example, Goodwill Industries of Greater Detroit (GIGD) has been implementing creative solutions to structural unemployment for 90 years. Using a social entrepreneurship business model and public resources, such as Michigan Works! and TANF, Goodwill has put people with employment challenges to work. Using profitable business models, such as Goodwill's Green Works recycling center, it has created a business enterprise that ably addresses employment barriers.

I have asked MEDC and the Workforce Development Agency to partner with GIGD to expand its model. Leveraging GIGD's expertise, we will create a program that is focused on talent development and rooted in social entrepreneurship.

Workforce Programs

Michigan Works! Agencies are the backbone of the state's re-employment system. Funded by federal dollars from the Workforce Investment Act (WIA) and staffed by locally contracted employees, talent relies on this system to access re-employment training and career opportunities. In the past, our Workforce Development Boards (WDB) have not been aligned with our economic development regions, creating an inefficient service model across the state. That is changing.

In February, I issued Executive Order 2011-4, effectively aligning our state's talent and economic development activities through Michigan Works!, the MEDC and our regional economic development agencies. This alliance, spearheaded by the Collaborative Development Council, is succeeding in strengthening regional economic relationships, leveraging Michigan's assets and improving the flow of communication and project management between the MEDC, Michigan Works! and local partners. This new approach allows us to streamline our efforts, reduce administrative costs, and leverage our resources to provide better employment services.

In the past, the Workforce Development Agency and Michigan Works! operated as though the job seeker was their only customer. In fact, these agencies exist not only to supply meaningful jobs to displaced workers but also to meet the demands of job providers for talent. Job providers should rely on Michigan Works! to provide them access to the talent they need.

I have asked the Workforce Development Agency, local Workforce Development Boards, and Michigan Works! to shift their efforts to a demand-driven employment strategy. Today, they are reorganizing around our major industries, including

manufacturing, energy, healthcare, information technology and agriculture, to better collaborate with businesses, our colleges and universities and our public school system.

Some regions have already enacted a collaborative, demand-driven strategy.

In Lansing, the Capitol Area Workforce Board has determined that the regional demand for technology talent will be 10% greater by 2018. Meanwhile, the area has a measurable technology skill gap. To address this mismatch, it sought and received a federal grant for \$4 million to provide training to job seekers and close that skill gap. This strategy will help employers obtain the talent they are seeking and citizens obtain the skills they need to gain employment in a high-demand technology career.

And in West Michigan, Talent 2025 exemplifies the type of regional collaboration that must occur if we are to be successful at addressing our talent needs. Business and community leaders, driven by data, are working with the West Michigan Strategic Alliance and the local Workforce Development Board to create a skilled workforce that meets the needs of job providers. It is partnering with local community colleges, non-profits, and business leaders to address talent development from early childhood through post-secondary education with an ultimate goal of having 60% or more citizens credentialed by 2025. Their work is exciting and instructional.

While significant progress has been made throughout the Michigan Works! system there is much work yet to be done. Today, I am challenging Michigan Works! to modernize its operations, eliminate redundancies, implement best practices and drive more dollars to direct services for our citizens.

Currently, geographic location can act as a barrier to our citizens getting the best possible employment assistance available. Let me be clear: every Michigan Works! door must be open to every eligible Michigander seeking assistance. The ability to utilize the best services at the most innovative agencies will drive better outcomes for our job seekers and our state.

In addition to state and local action, federal action is needed to allow for innovation and regional growth. Congressional leaders are currently considering sweeping cuts to WIA. Scarce resources require leaner budgets, but to accomplish more with less the federal government must give us greater flexibility.

The reauthorization of WIA is an opportunity to be bold and better meet regional needs. WIA is antiquated, was designed for a supply driven economy, and prevents states from using innovative methods to drive job creation. Currently, there are two schools of thought regarding WIA funding. One proposes a prescriptive funding model tied to programmatic requirements and the other proposes a block grant that many feel lacks accountability measures. As is often the case, there is a better solution that would allow for compromise.

I will be asking Congress to reauthorize WIA through a portfolio funding model. Under this new model, the Congress, the Department of Labor, and states would work together to determine a portfolio of outcomes (rather than an assortment of programs) that states would be accountable for achieving through WIA funding. Once the outcomes are determined, states would be free to use WIA funding to achieve agreed upon outcomes.

This model would allow states the flexibility needed to be successful in a changing economy while also providing the federal government the assurance it needs that resources are being used efficiently to achieve outcomes. I look forward to working with Congress and the Administration to advance this compromise, increase our return on investment, and put more of our talent back to work.

To guide our strategy and better coordinate local, state and federal activities, today I am issuing Executive Order 2011-13. This Executive Order creates the Governor's Talent Investment Board and will be vital in bringing citizen engagement and oversight to the state's talent enhancement effort. This new board will recommend policies to the executive and state departments to guide workforce investment and training. I am grateful to the many business and community leaders who have agreed to share their time and expertise to develop and retain Michigan's talent.

Reinventing Government, Retaining Talent

The original intent of unemployment insurance was not only to assist struggling families but also to allow employers the ability to retain critical talent. The current system is not achieving this goal because it does not recognize the challenges of mobile talent or the value of entrepreneurial activity.

Today's unemployment compensation system is not adequate or agile enough to retain our best talent. Much of our young and highly skilled talent is mobile, making it easy to seek work elsewhere after a layoff. In the past, a less mobile talent pool was likely to remain nearby to seek work and be available to return to their employer once business improved.

Through the recession, employers laid off some of the best and brightest talent, often engineers and high level managers. Undoubtedly, many of these individuals would have remained in Michigan if they had the option. However, other employment opportunities were available and this talent has left the state. Now employers are struggling to rebuild their labor forces with the highly skilled talent they once enjoyed. Today I am asking the Legislature to support work sharing so that our state can retain more of our highly skilled talent, especially in times of economic uncertainty.

Work sharing is an innovative program that allows employers experiencing a temporary reduction in demand for their services to reduce the hours of employees and supplement their pay with partial unemployment benefits. This allows the employers to retain their talent and ensures that a business can begin growing again immediately once demand returns to normal levels. It benefits employees because they retain employment and fringe benefits.

It is time that Michigan modernize our unemployment insurance system and begin to offer this innovative solution to our talented labor force. This program enjoys nationwide bipartisan support and is currently used in 22 other states. I call upon the Legislature to adopt legislation that enables Michigan to implement a work sharing program.

Currently, the unemployment insurance system also fails to recognize the value of talented entrepreneurs. Individuals are required to actively search for work but are never given the option to create work. An innovative program called Self-Employment Assistance allows the Unemployment Insurance Agency the option to grant a job search waiver to individuals who are least likely to find a job while receiving benefits and who opt to pursue entrepreneurial activity.

Not only is Michigan's history rooted in entrepreneurship but its future is tied to it. We cannot continue to insist that the only option for the unemployed is to seek work somewhere else. We know this is not a viable option for those who have lost their job in a field that is simply not going to be returning.

Because I so strongly believe in this, I am asking the Legislature to support legislation that will give the Unemployment Insurance Agency the ability to allow displaced Michiganders facing the most serious challenges in returning to the labor force the option to pursue entrepreneurship through self-employment assistance. I have charged MEDC with facilitating training in conjunction with regional Small Business Technology Development Centers.

Oregon, a leader in the implementation of self-employment assistance has already seen great success. Survey data from 2004-2009 showed that 77% of self-employment assistance participants who started a business remained in business. This innovative program is another tool to spur innovation and support Michigan's reinvention. I strongly encourage its adoption by the Michigan Legislature.

VI. Enhancing Quality of Place

In the past, many failed to recognize the symbiotic relationship between economic development and talent. Some believe that economic development is the key to creating the jobs that allow employers to invest in and attract talent. Still others believe that by amassing a population of highly skilled talent, a region can spur economic growth by enticing employers to locate or expand their business. The truth is that one cannot occur without the other. In Michigan, we are working to advance both simultaneously.

We must not only have meaningful job options but also create and expand places where workers, entrepreneurs and businesses want to locate, invest and expand. As job creators provide increased employment opportunities, quality of place initiatives can supplement job growth and encourage talent attraction and retention.

Much like our overall economic strategy we are supporting what is working locally. Public-private partnerships like the 15 x 15 Initiative are leveraging the expertise of foundations and the resources of the business community to revitalize our cities. This program is growing Detroit's urban core, rejuvenating Midtown, and giving young professionals a place to thrive. In fact, Forbes recently rated Detroit the 6th best city in the country for young professionals, even outpacing neighboring Chicago.

Increasingly, quality of place means not having to choose between a meaningful career and place amenities. That requires an investment in technology so that employees can telecommute, employers can maintain satellite offices in lakeshore communities, and rural economies can better compete in the marketplace. To do so, Connect Michigan and the Michigan Public Service Commission are working to ensure that all communities have access to broadband service.

We are all fortunate to live in Michigan. It is not just up to government or businesses to invest in our quality of place, it is up to each of us to see the beauty that Michigan already holds, embrace it and leave it better for the next generation. As I travel the state, I am inspired by young talent in our core cities doing just that; young Jewish leaders in Detroit, Art Prize contestants in Grand Rapids, the Detroit Young Professionals Organization and in Kalamazoo, beneficiaries of the Promise program.

Their optimism and energy are creating a quality of place that is uniquely Michigan.

VII. Conclusion

The simple truth is that tomorrow's opportunities cannot be realized with yesterday's skills.

Michigan's greatest assets are the adaptability, ingenuity and intellect of its people. These qualities, coupled with our abundant natural resources, industrial might and technological leadership, will make Michigan a formidable force in this century's global economy.

The challenge we face is to align the aptitudes and career passions of job seekers with the current and evolving needs of employers. The solution is to reinvent the way in which we prepare our children for successful, fulfilling careers; reshape the manner in which Michiganders look for work; and redesign the way in which employers obtain the skills they need.

Our state is at the national forefront in many areas. And, yet, we are behind the curve in terms of helping the next generation of Michigan talent to make sound educational and job-training decisions. That inconsistency needs to end.

Attacking this challenge demands the unyielding commitment of stakeholders across the board. Businesses, communities, nonprofits, schools, parents and universities must embrace the shared responsibility of helping young people build connections to the world that let them - and our state - flourish. Based on their history of selfless contributions to the betterment of our state, there is no doubt that they will step up to the plate.

Through insightful guidance and meaningful mentorship, we will meld our talent with exciting opportunities that await them today and beyond.

The message was referred to the Secretary for record.

Messages from the House

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

Senate Bill No. 291

House Bill No. 4369

The motion prevailed.

Senate Bill No. 556, entitled

A bill to amend 1984 PA 270, entitled "Michigan strategic fund act," by amending sections 5, 88b, and 88h (MCL 125.2005, 125.2088b, and 125.2088h), section 5 as amended by 2008 PA 224, section 88b as amended by 2011 PA 3, and section 88h as added by 2005 PA 225, and by adding section 88r.

Substitute (H-1).

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. 734

Yeas—34

| | | | |
|-------------|-------------|-------------|--------------|
| Anderson | Green | Kahn | Richardville |
| Bieda | Hansen | Kowall | Robertson |
| Booher | Hildenbrand | Marleau | Rocca |
| Brandenburg | Hopgood | Moolenaar | Schuitmaker |
| Casperson | Hune | Nofs | Walker |
| Caswell | Hunter | Pappageorge | Warren |
| Colbeck | Jansen | Pavlov | Whitmer |
| Emmons | Johnson | Proos | Young |
| Gleason | Jones | | |

Nays—1

Meekhof

Excused—3

| | | |
|---------|------|-------|
| Gregory | Hood | Smith |
|---------|------|-------|

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 title as amended.

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

Senate Bill No. 566, entitled

A bill to amend 1984 PA 270, entitled "Michigan strategic fund act," by amending sections 5, 88c, and 88h (MCL 125.2005, 125.2088c, and 125.2088h), section 5 as amended by 2008 PA 224 and sections 88c and 88h as added by 2005 PA 225.

Substitute (H-1).

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. 735**Yeas—35**

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|-------------|-------------|-------------|--------------|
| Anderson | Green | Kahn | Richardville |
| Bieda | Hansen | Kowall | Robertson |
| Booher | Hildenbrand | Marleau | Rocca |
| Brandenburg | Hopgood | Meekhof | Schuitmaker |
| Casperson | Hune | Moolenaar | Walker |
| Caswell | Hunter | Nofs | Warren |
| Colbeck | Jansen | Pappageorge | Whitmer |
| Emmons | Johnson | Pavlov | Young |
| Gleason | Jones | Proos | |

Nays—0**Excused—3**

| | | |
|---------|------|-------|
| Gregory | Hood | Smith |
|---------|------|-------|

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.

Senate Bill No. 567, entitled

A bill to amend 1984 PA 270, entitled "Michigan strategic fund act," (MCL 125.2001 to 125.2094) by adding chapter 8C.

Substitute (H-3).

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. 736**Yeas—34**

| | | | |
|-------------|-------------|-------------|--------------|
| Anderson | Green | Kahn | Richardville |
| Bieda | Hansen | Kowall | Robertson |
| Booher | Hildenbrand | Marleau | Rocca |
| Brandenburg | Hopgood | Moolenaar | Schuitmaker |
| Casperson | Hune | Nofs | Walker |
| Caswell | Hunter | Pappageorge | Warren |
| Colbeck | Jansen | Pavlov | Whitmer |
| Emmons | Johnson | Proos | Young |
| Gleason | Jones | | |

Nays—1

Meekhof

Excused—3

Gregory

Hood

Smith

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.

Senate Bill No. 568, entitled

A bill to amend 1984 PA 270, entitled "Michigan strategic fund act," (MCL 125.2001 to 125.2094) by adding sections 90c and 90d.
 Substitute (H-4).

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. 737**Yeas—33**

| | | | |
|-------------|-------------|-------------|--------------|
| Anderson | Green | Kahn | Richardville |
| Bieda | Hansen | Kowall | Robertson |
| Booher | Hildenbrand | Marleau | Rocca |
| Brandenburg | Hopgood | Moolenaar | Schuitmaker |
| Casperson | Hunter | Nofs | Walker |
| Caswell | Jansen | Pappageorge | Warren |
| Colbeck | Johnson | Pavlov | Whitmer |
| Emmons | Jones | Proos | Young |
| Gleason | | | |

Nays—2

Hune

Meekhof

Excused—3

Gregory

Hood

Smith

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.

Senate Bill No. 644, entitled

A bill to amend 2000 PA 489, entitled "Michigan trust fund act," by amending section 8 (MCL 12.258), as amended by 2009 PA 183.

(This bill was returned from the House on December 1 and the recommendation for immediate effect postponed. See Senate Journal No. 94, p. 2674.)

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 Meekhof 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 Calley, designated Senator Young as Chairperson.

After some time spent therein, the Committee arose; and the President, Lieutenant Governor Calley, having resumed the Chair, the Committee reported back to the Senate, favorably and with a substitute therefor, the following bill:

Senate Bill No. 197, entitled

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 11 and 17b (MCL 388.1611 and 388.1617b), section 11 as amended by 2010 PA 217 and section 17b as amended by 2007 PA 137.

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.

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

Senate Bill No. 582, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 719 (MCL 257.719), as amended by 2009 PA 37.

Substitute (S-2).

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 Meekhof moved that the rules be suspended and that the following bill, now on the order of Third Reading of Bills, be placed on its immediate passage at the head of the Third Reading of Bills calendar:

Senate Bill No. 197

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

The following bill was read a third time:

Senate Bill No. 197, entitled

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 11, 11j, 11m, 22a, 22b, 26a, 31d, 31f, 51a, 51c, 53a, and 62 (MCL 388.1611, 388.1611j, 388.1611m, 388.1622a, 388.1622b, 388.1626a, 388.1631d, 388.1631f, 388.1651a, 388.1651c, 388.1653a, and 388.1662), as amended by 2011 PA 62.

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. 738**Yeas—35**

Anderson
Bieda
Booher

Green
Hansen
Hildenbrand

Kahn
Kowall
Marleau

Richardville
Robertson
Rocca

| | | | |
|-------------|---------|-------------|-------------|
| Brandenburg | Hopgood | Meekhof | Schuitmaker |
| Casperson | Hune | Moolenaar | Walker |
| Caswell | Hunter | Nofs | Warren |
| Colbeck | Jansen | Pappageorge | Whitmer |
| Emmons | Johnson | Pavlov | Young |
| Gleason | Jones | Proos | |

Nays—0

Excused—3

| | | |
|---------|------|-------|
| Gregory | Hood | Smith |
|---------|------|-------|

Not Voting—0

In The Chair: President

The Senate agreed to the title of the bill.

The following bill was announced:

House Bill No. 4394, entitled

A bill to amend 1936 (Ex Sess) PA 1, entitled “Michigan employment security act,” (MCL 421.1 to 421.75) by adding section 27c.

(This bill was passed on December 1 and the motion for immediate effect postponed. See Senate Journal No. 94, p. 2682.)

The question being on the motion to give the bill immediate effect,

The motion prevailed, 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 the welfare of the people of this state through the establishment of an unemployment compensation fund, and to provide for the disbursement thereof; to create certain other funds; to create the Michigan employment security commission, and to prescribe its powers and duties; to provide for the protection of the people of this state from the hazards of unemployment; to levy and provide for contributions from employers; to provide for the collection of such contributions; to enter into reciprocal agreements and to cooperate with agencies of the United States and of other states charged with the administration of any unemployment insurance law; to furnish certain information to certain governmental agencies for use in administering public benefit and child support programs and investigating and prosecuting fraud; to provide for the payment of benefits; to provide for appeals from redeterminations, decisions and notices of assessments; and for referees and a board of review to hear and decide the issues arising from redeterminations, decisions and notices of assessment; to provide for the cooperation of this state and compliance with the provisions of the social security act and the Wagner-Peyser act passed by the Congress of the United States of America; to provide for the establishment and maintenance of free public employment offices; to provide for the transfer of funds; to make appropriations for carrying out the provisions of this act; to prescribe remedies and penalties for the violation of the provisions of this act; and to repeal all acts and parts of acts inconsistent with the provisions of this act.”

The Senate agreed to the full title.

The following bill was announced:

House Bill No. 4240, entitled

A bill to amend 1969 PA 306, entitled “Administrative procedures act of 1969,” by amending section 32 (MCL 24.232). (This bill was read a third time on November 10 and consideration postponed. See Senate Journal No. 91, p. 2598.)

The question being on the passage of the bill,

Senator Kowall offered the following substitute:

Substitute (S-2).

The substitute was adopted, a majority of the members serving voting therefor.

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. 739**Yeas—26**

| | | | |
|-------------|-------------|-------------|--------------|
| Booher | Hansen | Marleau | Proos |
| Brandenburg | Hildenbrand | Meekhof | Richardville |
| Casperson | Hune | Moolenaar | Robertson |
| Caswell | Jansen | Nofs | Rocca |
| Colbeck | Jones | Pappageorge | Schuitmaker |
| Emmons | Kahn | Pavlov | Walker |
| Green | Kowall | | |

Nays—9

| | | | |
|----------|---------|---------|---------|
| Anderson | Hopgood | Johnson | Whitmer |
| Bieda | Hunter | Warren | Young |
| Gleason | | | |

Excused—3

| | | |
|---------|------|-------|
| Gregory | Hood | Smith |
|---------|------|-------|

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.

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

“An act to provide for the effect, processing, promulgation, publication, and inspection of state agency rules, determinations, and other matters; to provide for the printing, publishing, and distribution of certain publications; to provide for state agency administrative procedures and contested cases and appeals from contested cases in licensing and other matters; to create and establish certain committees and offices; to provide for declaratory judgments as to rules; to repeal certain acts and parts of acts; and to repeal certain parts of this act on a specific date.”.

The Senate agreed to the full title.

The President pro tempore, Senator Schuitmaker, assumed the Chair.

By unanimous consent the Senate proceeded to the order of

Resolutions

Senator Meekhof moved that consideration of the following resolutions be postponed for today:

Senate Resolution No. 34**Senate Resolution No. 67**

The motion prevailed.

House Concurrent Resolution No. 36.

A concurrent resolution approving the conveyance of property to the State Building Authority and approving a lease among the State of Michigan, the State Building Authority, and the Board of Trustees of Western Michigan University relative to the Western Michigan University Sangren Hall Replacement project.

Whereas, Section 5 of 1964 PA 183, as amended, being MCL § 830.415, requires the approval of the Board of Trustees of Western Michigan University (the “Educational Institution”), the State Administrative Board, and the Michigan Legislature by concurrent resolution concurred in by a majority of the members elected to and serving in each house, with the

votes and names of the members voting thereon entered in the journal, before land owned by the Educational Institution may be conveyed to the State Building Authority (the "Authority"); and

Whereas, The site for the Western Michigan University Sangren Hall Replacement project (the "Facility") is currently owned by the Educational Institution; and

Whereas, Section 7 of 1964 PA 183, as amended, being MCL § 830.417, requires the approval of the State Administrative Board and the Michigan Legislature by concurrent resolution concurred in by a majority of the members elected to and serving in each house, with the votes and names of the members voting thereon entered in the journal, before the State of Michigan (the "State") may enter into a lease with the Authority upon a showing of a public purpose; and

Whereas, Providing additional space to be used by the Educational Institution pursuant to the lease for the Facility is a recognized public purpose; and

Whereas, A lease among the Authority, the State, and the Educational Institution has been prepared providing for the leasing of the Facility by the Authority to the State and the Educational Institution (the "Lease"); and

Whereas, The Executive Director of the Authority has furnished the Joint Capital Outlay Subcommittee of the Legislature with information and documents relative to the Lease; now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Total Facility Cost for the Western Michigan University Sangren Hall Replacement project shall not exceed \$60,000,000 (the Authority share is \$29,999,800, the State General Fund/General Purpose share is \$200, and the Educational Institution share is \$30,000,000), plus interest charges on monies advanced by the State to meet the construction cash flow requirements of the Facility, if any, of which not more than \$29,999,800, plus interest charges on monies advanced by the State to meet the construction cash flow requirements of the Facility, if any, shall be financed from bonds issued by the Authority, exclusive of amounts necessary for reserves, interest, or other nonconstruction costs; and be it further

Resolved, That the Legislature hereby approves the necessary conveyances of property to the Authority as more particularly described in the Lease and attachments thereto; and be it further

Resolved, That the Legislature hereby approves the Authority acquiring the Facility and leasing it to the State and the Educational Institution and hereby determines that the leasing of the Facility from the Authority is for a public purpose as authorized by 1964 PA 183, as amended; and be it further

Resolved, That the annual amounts of "True Rental" for the Facility shall be within or below the range of \$2,057,000 and \$2,690,000, as shall reflect variations that may occur in the components upon which the appraisal of True Rental was based, which amounts shall be certified by the appraiser and thereafter approved by the State Administrative Board and the Authority as authorized by 1964 PA 183, as amended; and be it further

Resolved, That the Lease is hereby approved by this concurrent resolution, and the Governor and the Secretary of State are authorized and directed to execute the Lease for and on behalf of the State; and be it further

Resolved, That, by hereby approving the Lease among the State, the Educational Institution, and the Authority, the Legislature agrees to appropriate annually sufficient amounts to pay the rent as obligated pursuant to the Lease; and be it further

Resolved, That copies of this concurrent resolution be transmitted to the Governor, the Secretary of State, the Authority, the Board of Trustees of Western Michigan University, and the State Budget Director.

The House of Representatives has adopted the concurrent resolution.

Pending the order that, under rule 3.204, the concurrent resolution be referred to the Committee on Government Operations,

Senator Meekhof moved that the rule be suspended.

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

The question being on the adoption of the concurrent resolution,

Senator Meekhof moved that the concurrent resolution be referred to the Committee on Appropriations.

The motion prevailed.

Senators Bieda, Booher, Brandenburg, Jansen, Kowall, Marleau, Nofs, Proos, Richardville and Schuitmaker were named co-sponsors of the concurrent resolution.

House Concurrent Resolution No. 37.

A concurrent resolution approving the conveyance of property to the State Building Authority and approving a lease among the State of Michigan, the State Building Authority, and School District of the City of Dearborn relative to the Henry Ford Community College Science Building Improvements project.

Whereas, Section 5 of 1964 PA 183, as amended, being MCL § 830.415, requires the approval of (i) the School District of the City of Dearborn (the "School District"), which has created Henry Ford Community College (the "College") and operates the College as a community college pursuant to 1976 PA 451, as amended, as permitted by Section 7 of Article 8 of the Michigan Constitution of 1963; (ii) the State Administrative Board; and (iii) the Michigan Legislature by concurrent resolution concurred in by a majority of the members elected to and serving in each house, with the votes and names of the members voting thereon entered in the journal, before land, on which the College is located and which is owned by the School District may be conveyed to the State Building Authority (the "Authority"); and

Whereas, The site for the Henry Ford Community College Science Building Improvements project (the "Facility") is currently owned by the School District; and

Whereas, Section 7 of 1964 PA 183, as amended, being MCL § 830.417, requires the approval of the State Administrative Board and the Michigan Legislature by concurrent resolution concurred in by a majority of the members elected to and serving in each house, with the votes and names of the members voting thereon entered in the journal, before the State of Michigan (the "State") may enter into a lease with the Authority upon a showing of a public purpose; and

Whereas, Providing additional space to be used by the College pursuant to the lease for the Facility is a recognized public purpose; and

Whereas, A lease among the Authority, the State, and the School District has been prepared providing for the leasing of the Facility by the Authority to the State and the School District (the "Lease"); and

Whereas, The Executive Director of the Authority has furnished the Joint Capital Outlay Subcommittee of the Legislature with information and documents relative to the Lease; now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Total Facility Cost for the Henry Ford Community College Science Building Improvements project shall not exceed \$15,000,000 (the Authority share is \$7,499,800, the State General Fund/General Purpose share is \$200, and the School District of the City of Dearborn share is \$7,500,000), plus interest charges on monies advanced by the State to meet the construction cash flow requirements of the Facility, if any, of which not more than \$7,499,800, plus interest charges on monies advanced by the State to meet the construction cash flow requirements of the Facility, if any, shall be financed from bonds issued by the Authority, exclusive of amounts necessary for reserves, interest, or other nonconstruction costs; and be it further

Resolved, That the Legislature hereby approves the necessary conveyances of property to the Authority as more particularly described in the Lease and attachments thereto; and be it further

Resolved, That the Legislature hereby approves the Authority acquiring the Facility and leasing it to the State and the School District and hereby determines that the leasing of the Facility from the Authority is for a public purpose as authorized by 1964 PA 183, as amended; and be it further

Resolved, That the annual amounts of "True Rental" for the Facility shall be within or below the range of \$514,000 and \$673,000, as shall reflect variations that may occur in the components upon which the appraisal of True Rental was based, which amounts shall be certified by the appraiser and thereafter approved by the State Administrative Board and the Authority as authorized by 1964 PA 183, as amended; and be it further

Resolved, That the Lease is hereby approved by this concurrent resolution, and the Governor and the Secretary of State are authorized and directed to execute the Lease for and on behalf of the State; and be it further

Resolved, That, by hereby approving the Lease among the State, the School District, and the Authority, the Legislature agrees to appropriate annually sufficient amounts to pay the rent as obligated pursuant to the Lease; and be it further

Resolved, That copies of this concurrent resolution be transmitted to the Governor, the Secretary of State, the Authority, the School District of the City of Dearborn, and the State Budget Director.

The House of Representatives has adopted the concurrent resolution.

Pending the order that, under rule 3.204, the concurrent resolution be referred to the Committee on Government Operations,

Senator Meekhof moved that the rule be suspended.

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

The question being on the adoption of the concurrent resolution,

Senator Meekhof moved that the concurrent resolution be referred to the Committee on Appropriations.

The motion prevailed.

Senators Bieda, Booher, Brandenburg, Kowall, Marleau, Nofs, Proos, Richardville and Schuitmaker were named co-sponsors of the concurrent resolution.

House Concurrent Resolution No. 38.

A concurrent resolution approving the conveyance of property to the State Building Authority and approving a lease among the State of Michigan, the State Building Authority, and Washtenaw Community College relative to the Washtenaw Community College Skilled Trades Training Program Renovations project.

Whereas, Section 5 of 1964 PA 183, as amended, being MCL § 830.415, requires the approval of the Board of Trustees of Washtenaw Community College (the "Educational Institution"), the State Administrative Board, and the Michigan Legislature by concurrent resolution concurred in by a majority of the members elected to and serving in each house, with the votes and names of the members voting thereon entered in the journal, before land owned by the Educational Institution may be conveyed to the State Building Authority (the "Authority"); and

Whereas, The site for the Washtenaw Community College Skilled Trades Training Program Renovations project (the "Facility") is currently owned by the Educational Institution; and

Whereas, Section 7 of 1964 PA 183, as amended, being MCL § 830.417, requires the approval of the State Administrative Board and the Michigan Legislature by concurrent resolution concurred in by a majority of the members elected to and

serving in each house, with the votes and names of the members voting thereon entered in the journal, before the State of Michigan (the "State") may enter into a lease with the Authority upon a showing of a public purpose; and

Whereas, Providing additional space to be used by the Educational Institution pursuant to the lease for the Facility is a recognized public purpose; and

Whereas, A lease among the Authority, the State, and the Educational Institution has been prepared providing for the leasing of the Facility by the Authority to the State and the Educational Institution (the "Lease"); and

Whereas, The Executive Director of the Authority has furnished the Joint Capital Outlay Subcommittee of the Legislature with information and documents relative to the Lease; now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Total Facility Cost for the Washtenaw Community College Skilled Trades Training Program Renovations project shall not exceed \$14,800,000 (the Authority share is \$7,399,800, the State General Fund/General Purpose share is \$200, and the Educational Institution share is \$7,400,000), plus interest charges on monies advanced by the State to meet the construction cash flow requirements of the Facility, if any, of which not more than \$7,399,800, plus interest charges on monies advanced by the State to meet the construction cash flow requirements of the Facility, if any, shall be financed from bonds issued by the Authority, exclusive of amounts necessary for reserves, interest, or other nonconstruction costs; and be it further

Resolved, That the Legislature hereby approves the necessary conveyances of property to the Authority as more particularly described in the Lease and attachments thereto; and be it further

Resolved, That the Legislature hereby approves the Authority acquiring the Facility and leasing it to the State and the Educational Institution and hereby determines that the leasing of the Facility from the Authority is for a public purpose as authorized by 1964 PA 183, as amended; and be it further

Resolved, That the annual amounts of "True Rental" for the Facility shall be within or below the range of \$507,000 and \$664,000, as shall reflect variations that may occur in the components upon which the appraisal of True Rental was based, which amounts shall be certified by the appraiser and thereafter approved by the State Administrative Board and the Authority as authorized by 1964 PA 183, as amended; and be it further

Resolved, That the Lease is hereby approved by this concurrent resolution, and the Governor and the Secretary of State are authorized and directed to execute the Lease for and on behalf of the State; and be it further

Resolved, That, by hereby approving the Lease among the State, the Educational Institution, and the Authority, the Legislature agrees to appropriate annually sufficient amounts to pay the rent as obligated pursuant to the Lease; and be it further

Resolved, That copies of this concurrent resolution be transmitted to the Governor, the Secretary of State, the Authority, the Board of Trustees of Washtenaw Community College, and the State Budget Director.

The House of Representatives has adopted the concurrent resolution.

Pending the order that, under rule 3.204, the concurrent resolution be referred to the Committee on Government Operations,

Senator Meekhof moved that the rule be suspended.

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

The question being on the adoption of the concurrent resolution,

Senator Meekhof moved that the concurrent resolution be referred to the Committee on Appropriations.

The motion prevailed.

Senators Bieda, Booher, Brandenburg, Kowall, Marleau, Nofs, Proos, Richardville, Schuitmaker and Warren were named co-sponsors of the concurrent resolution.

Introduction and Referral of Bills

Senator Robertson introduced

Senate Bill No. 866, entitled

A bill to amend 1986 PA 196, entitled "Public transportation authority act," by amending sections 8 and 18 (MCL 124.458 and 124.468), as amended by 2006 PA 175.

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

Senators Jones, Warren, Anderson, Nofs, Rocca, Marleau and Pappageorge introduced

Senate Bill No. 867, entitled

A bill to amend 1978 PA 368, entitled "Public health code," (MCL 333.1101 to 333.25211) by adding part 140 to article 12.

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

Senators Johnson, Gregory, Hood, Warren, Young, Hopgood, Bieda, Gleason, Whitmer, Hunter and Smith introduced **Senate Bill No. 868, entitled**

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending section 30 (MCL 206.30), as amended by 2011 PA 38.

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

Senators Casperson, Proos, Booher, Johnson and Jansen introduced

Senate Bill No. 869, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 811e (MCL 257.811e), as amended by 2009 PA 99, and by adding sections 811r, 811s, 811t, 811u, and 811v.

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

Senator Booher introduced

Senate Bill No. 870, entitled

A bill to amend 2005 PA 92, entitled "School bond qualification, approval, and loan act," by amending section 6 (MCL 388.1926).

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

House Bill No. 4561, entitled

A bill to amend 1972 PA 230, entitled "Stille-DeRossett-Hale single state construction code act," by amending section 4 (MCL 125.1504), as amended by 2004 PA 584.

The House of Representatives has passed the bill.

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

House Bill No. 5011, entitled

A bill to amend 1972 PA 230, entitled "Stille-DeRossett-Hale single state construction code act," by amending section 2a (MCL 125.1502a), as added by 1999 PA 245, and by adding section 9.

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 Regulatory Reform.

Statements

Senators Bieda, Caswell, Nofs, Jansen, Hildenbrand and Johnson asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Bieda's statement is as follows:

A couple of weeks ago, a very good friend of mine, former 37th District Judge Walter A. Jakubowski, passed away. Walter was known as the cops judge in the community of Warren and in Center Line, where he served on the bench from April of 1991 until he retired in 2008.

Perhaps a living example of some bipartisanship, Walt was a Democrat who was appointed to the bench by former Governor John Engler. In the last eight years of his tenure, he served as chief judge. Judge Jakubowski was known as a good man, a class act, and full of intensity and toughness. He was also a proud member of the American Polish Century Club in Sterling Heights and the American Cultural Center in Troy, the Warren Jaycees, and the Warren Family YMCA.

Nancy Jakubowski, his wife of 28 years, described him as a well-defined man of his word. Judge Jakubowski took great care of his employees in one of Macomb County's busiest courts, treating the people around him like family. Judge Jakubowski not only cared about those around him, but also about the rights of victims of crime. His sentences were always fair, and he never gave anyone more than they deserved. Religion and his care and passion for animals were also a big part of his life, as was his family. He always thanked God for the great things that he had.

Judge Jakubowski will be greatly missed by all, particularly those in the Warren and Center Line communities.

The President, Lieutenant Governor Calley, resumed the Chair.

Senator Caswell's statement is as follows:

I would like to speak for a few moments about some very important legislation that we, the Senate, passed last week and is now in the House. I am referring to Senate Bill Nos. 483, 484, and 806—the unemployment insurance reform measures. These are vital bills for helping Michigan get back on the right track. They directly address our most critical need: job creation.

As I imagine it is for many of my Senate colleagues, unemployment insurance reform is a very important issue in my district. Small businesses are looking for ways to strengthen and expand. They would like to see the state's federal unemployment debt reduced, which would in turn reduce their financial burden, enabling them to invest and create jobs.

This legislation eliminates the state's federal unemployment debt, and it stops the administration in Washington, D.C., from imposing punitive interest and penalties on Michigan job providers to pass off this debt. It would be much cheaper to do it with a bond that we pass.

Job providers in my district are worried about the solvency of the unemployment trust fund. The bills we passed last week restore the long-term solvency of the trust fund—paid entirely by Michigan job providers. It was important that we pass these three bills last week. Michigan has suffered ten years under a recession—ten years. This recession and our high unemployment forced us to borrow billions from the federal government to pay out unemployment benefits for our extraordinarily high number of jobless claims. This bankrupted the state's unemployment trust fund.

The unemployment insurance reform measures provide relief to small businesses by allowing them to spread their unemployment insurance payments out over a calendar year to better adapt to seasonal sales revenue. The bills crack down on unemployment benefits cheaters by allowing the state to share information with law enforcement for criminal investigations involving fraud. We also put in place a much clearer test in terms of employers.

The reforms changed the definition of suitable work requirement to include jobs outside of the claimant's experience if the position pays 120 percent of their weekly unemployment benefit payment. I might add, Mr. President, in campaigning, I found three groups of workers who were drawing unemployment. One group was people who could not find another job and had nowhere else to turn. Another group was people who told me very matter-of-factly at their doorsteps that they turned down jobs because unemployment paid more. The third group of people was working for cash under the table.

These bills that we passed, I believe, are going to encourage people to get back to work but not punish those who cannot actually find work and are unable to get a job. They will continue to be able to benefit from the unemployment system, which I believe is appropriate.

The reforms are good news for the job providers in my district, which means they are good for the district. We have found that it is very important that we get workers back to work as soon as possible because the longer they are out of the system, the more difficult it is to reemploy them. These bills are also good for all of our districts. It is one of the positive changes to help reinvent Michigan and lead us to dynamic growth.

I thank my Senate colleagues for passing these measures, and I urge the House to pass them.

Senator Nofs' statement is as follows:

It is a privilege for me today to congratulate Consumers Energy on their 125th anniversary today. Consumers is a major employer in my district and throughout Michigan. In fact, they employ over 7,500 workers in Michigan residents, making them the seventh-largest employer in the state. From its humble beginnings as a manufacturer of electric street lights, Consumers Energy today provides electricity to 6.8 million Michigan residents in all 68 counties in the Lower Peninsula.

Again, Mr. President, I want to congratulate the company and its employees on this tremendous milestone.

Senator Jansen's statement is as follows:

I would like to let it be known for the record that I was unable to vote on Roll Call No. 733 on Senate Bill No. 806 last week. If I were here, I would have voted "yes" as I did in committee.

I also want to make a statement that I believe, as one of the sponsors of the funding side of the unemployment reform, that business specifically had \$3.2 billion that they were in debt for the unemployment system. I believe with the reforms and with the ability to bond for the debt that the employers have that we are well on the road to recovery when it comes to our unemployment and reforming our unemployment; and also allowing our employers to find much-needed financial relief in their ability to be able to pay off the debt to the federal government so that they will not come back and take over our system.

Senator Hildenbrand's statement is as follows:

Last Thursday, the Senate took another bold step in our efforts to help support the state's continued economic recovery. By passing Senate Bill Nos. 483, 484, and 806, the unemployment insurance reform package, debt will be eliminated and fraud will be reduced. In short, Michigan job providers will now have additional resources on hand to grow and invest in our workers and in our state.

Due to Michigan's decadelong recession, the state's unemployment fund was bankrupt. This forced the state to borrow money from the federal government to pay for more than \$3 billion in jobless benefits. This loan was unavoidable at the time in order to continue to pay the benefits owed to the unemployed. Now, however, the state must address this debt and the policy issues that led us into this situation.

The unemployment insurance reforms we passed on Thursday prevents Michigan's job providers from having to continue to be subject to a seemingly endless barrage of increased taxes, interest, and penalties from the federal government related to the repayment of the federal loan. This uncertainty hampers economic growth and has a direct effect on an employer's ability to hire individuals back into the workforce.

Had action not been taken by the Senate, it was projected that Michigan would be indebted to the federal government until 2018, and we would not have had a sufficient balance in our state account until 2022. More importantly, passage of these bills will prevent a 50 percent unemployment tax increase on our state's job providers which would have been levied by the federal government in 2012.

Finally, this legislation includes significant reforms that will deter fraud, prevent overpayments, and encourage workers to seek employment before exhausting their benefits. These changes are critical as we continue to work to reinvent Michigan and support our economic recovery.

The package of bills is about reducing a growing and unpredictable financial burden for our job providers and creating a more stable unemployment fund for our hardworking citizens who may find themselves unemployed at some point in their lives. That is why I joined my colleagues in support of these bills.

Senator Meekhof stated that had he been present on December 1 when the vote was taken on concurring in the House substitute to the following bill, he would have voted "yea":

Senate Bill No. 166

Senator Meekhof stated that had he been present on December 1 when the votes were taken on the passage of the following bills, he would have voted "yea":

Senate Bill No. 768

Senate Bill No. 769

Senate Bill No. 557

Senate Bill No. 558

Senate Bill No. 559

Senate Bill No. 560

Senate Bill No. 725

Senate Bill No. 789

House Bill No. 4394

Senate Bill No. 483

Senate Bill No. 484

Senate Bill No. 806

Senator Meekhof stated that had he been present on December 1 when the vote was taken on the motion that pending amendments be considered en bloc to the following bill, he would have voted "yea":

Senate Bill No. 806

Senator Meekhof stated that had he been present on December 1 when the vote was taken on adoption of the amendments to the following bill, he would have voted "nay":

Senate Bill No. 806

Senator Johnson's statement is as follows:

I'd like to address two issues today. First, after Thursday's antics, I am compelled to voice my displeasure with the majority party's tactics of stifling debate and the democratic process. It is well within our constitutional right to request that a bill be read in its entirety. Punitive retaliation by way of denying the minority party its ability to offer and explain amendments and to make statements on the legislation is childish at best. This was a direct affront to the ability of my citizens to be represented properly in their state government. They may not reside in your district, agree with your policies, or appreciate your actions, but they are citizens of the state of Michigan, and they deserve to have their voices heard in the halls of power that all too often pass them by, or worse, step all over them.

I'm reminded of growing up playing basketball on the playgrounds in Detroit, where there were always kids who would take their ball and go home. But every once in a while, there was the one who would get particularly upset and smash a bottle on the court, shattering the glass and making it impossible for anybody else to play. There was no respect for that kid. The Senate majority party has broken glass on the court of democracy in this chamber. There's no respect to be had for such actions. I implore my colleagues on the other side of the aisle to operate in fairness and good faith for the remainder of this legislative session.

The second item I'd like to address is an organization that means a lot to me. Last week, 11 months into this legislative session and a week after Thanksgiving, I finally had something to be thankful for in this Legislature. That morning, we awoke to the news that the Michigan Economic Development Corporation had decided to grant \$1 million to a longtime beacon of optimism in Detroit and southeast Michigan, and that would be Focus: HOPE.

As a result of the federal government's disastrous deficit commission and the impotency of our leaders in the United States Congress, Focus: HOPE lost \$5.8 million of funding. While federal funding consists of only one-sixth of the institution's total budget, it is precisely these dollars that go to the very important workforce training programs that we all cherish. Almost a third of Focus: HOPE's employees were to be laid off as a result of the lost funds, as well as classes being suspended for 226 students in certificate programs and 54 students in the college engineering program.

Michigan's Republican Governor and I have not seen eye to eye on a lot of issues this year, but I believe in giving credit where it's due. He has rightly recognized that since its inception as a partnership between the late great hope warrior Eleanor Josaitis and the exemplary clergyman Father Cunningham, this organization has healed social and economic wounds, expanded understanding between people separated by the arbitrary lines drawn by society between us, and labored tirelessly to demonstrate that, as God's children, there is so much more that unites us and our southeast Michigan communities than that which divides us.

Indeed, since 1981, Focus: HOPE has provided job training to more than 11,000 people who have contributed over a billion dollars in earnings to the local economy. With results like that and understanding the dire straits our communities are now facing, it is deplorable that our city's representatives in Washington, D.C., have failed us in such a way.

Because of this grant from the MEDC, at least some of the people enrolled at Focus: HOPE will get the job training they need, and at least some of them will go on to obtain new employment. This is not the result of any perceived seniority or effectiveness of Detroit's congressional representatives. It is because of a grant by Governor Rick Snyder's Michigan Economic Development Corporation. Today, I salute and thank him. What a telling set of facts.

Committee Reports

The Committee on Local Government and Elections reported

Senate Bill No. 750, entitled

A bill to amend 1976 PA 388, entitled "Michigan campaign finance act," by amending sections 33 and 35 (MCL 169.233 and 169.235), section 33 as amended by 1999 PA 238 and section 35 as amended by 2000 PA 75.

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.

David B. Robertson
Chairperson

To Report Out:

Yeas: Senators Robertson, Meekhof, Brandenburg and Young

Nays: None

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

The Committee on Local Government and Elections reported

Senate Bill No. 751, entitled

A bill to amend 1954 PA 116, entitled "Michigan election law," by amending sections 509r, 509aa, 658, 659, and 761 (MCL 168.509r, 168.509aa, 168.658, 168.659, and 168.761), section 509r as amended by 2003 PA 302, section 509aa as amended by 2004 PA 92, section 659 as amended by 2004 PA 296, and section 761 as amended by 2005 PA 71, and by adding section 764c.

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.

David B. Robertson
Chairperson

To Report Out:

Yeas: Senators Robertson, Meekhof and Brandenburg

Nays: Senator Young

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

The Committee on Local Government and Elections reported

Senate Bill No. 752, entitled

A bill to amend 1954 PA 116, entitled "Michigan election law," by amending sections 569a, 671, 792a, and 871 (MCL 168.569a, 168.671, 168.792a, and 168.871), section 569a as added by 1985 PA 24, section 671 as amended by 1995 PA 261, section 792a as amended by 2005 PA 71, and section 871 as amended by 2000 PA 207, and by adding section 686b.

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.

David B. Robertson
Chairperson

To Report Out:

Yeas: Senators Robertson, Meekhof, Brandenburg and Young
Nays: None

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

The Committee on Local Government and Elections reported
Senate Bill No. 753, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 11e of chapter XVII (MCL 777.11e), as added by 2002 PA 31.

With the recommendation that the bill pass.

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

David B. Robertson
Chairperson

To Report Out:

Yeas: Senators Robertson, Meekhof, Brandenburg and Young
Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Local Government and Elections reported
Senate Bill No. 754, entitled

A bill to amend 1954 PA 116, entitled "Michigan election law," by amending section 509v (MCL 168.509v), as added by 1994 PA 441, and by adding section 497c.

With the recommendation that the substitute (S-2) be adopted and that the bill then pass.

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

David B. Robertson
Chairperson

To Report Out:

Yeas: Senators Robertson, Meekhof and Brandenburg
Nays: Senator Young

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

The Committee on Local Government and Elections reported
Senate Bill No. 803, entitled

A bill to amend 1954 PA 116, entitled "Michigan election law," by amending sections 523, 759, and 761 (MCL 168.523, 168.759, and 168.761), sections 523 and 761 as amended by 2005 PA 71 and section 759 as amended by 1995 PA 261.

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.

David B. Robertson
Chairperson

To Report Out:

Yeas: Senators Robertson, Meekhof, Brandenburg and Young
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 Local Government and Elections submitted the following:

Meeting held on Wednesday, November 30, 2011, at 3:00 p.m., Room 100, Farnum Building

Present: Senators Robertson (C), Meekhof, Brandenburg and Young

Scheduled Meetings

Appropriations - Wednesday, December 7, 2:00 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-1760)

Subcommittees -

Community Health Department - Thursday, December 8, 12:30 p.m., Senate Hearing Room, Ground Floor, Boji Tower (373-2768)

Human Services Department - Tuesday, December 13, 2:00 p.m., Room 405, Capitol Building (373-2768)

Economic Development - Wednesday, December 7, 1:30 p.m., Room 110, Farnum Building (373-5312)

Education - Wednesday, December 7, 12:00 noon, Senate Hearing Room, Ground Floor, Boji Tower (373-5314)

Finance - Wednesday, December 7, 12:30 p.m., Room 210, Farnum Building (373-5307)

Health Policy - Wednesday, December 7, 9:00 a.m., Rooms 402 and 403, Capitol Building (373-5314)

Legislative Retirement Board of Trustees - Wednesday, December 7, 1:00 p.m., Room H-65, Capitol Building (373-0575)

Michigan Law Revision Commission - Wednesday, December 7, 11:30 a.m., Legislative Council Conference Room, 3rd Floor, Boji Tower (373-0212)

Natural Resources, Environment and Great Lakes - Thursday, December 8, 9:30 a.m., Room 210, Farnum Building (373-5323)

Reforms, Restructuring and Reinventing - Wednesday, December 7, 8:30 a.m., Senate Hearing Room, Ground Floor, Boji Tower (373-5307)

Regulatory Reform - Thursday, December 8, 12:30 p.m., Room 110, Farnum Building (373-5307)

Senator Meekhof moved that the Senate adjourn.
The motion prevailed, the time being 12:15 p.m.

The President, Lieutenant Governor Calley, declared the Senate adjourned until Wednesday, December 7, 2011, at 10:00 a.m.

CAROL MOREY VIVENTI
Secretary of the Senate