

No. 14
STATE OF MICHIGAN
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REGULAR SESSION OF 2013

Senate Chamber, Lansing, Tuesday, February 19, 2013.

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
Green—present
Gregory—present
Hansen—present
Hildenbrand—present
Hood—present

Hopgood—present
Hune—present
Hunter—excused
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—present
Walker—present
Warren—present
Whitmer—present
Young—present

Reverend Ronda Hawkins of the United Methodist Church, Ann Arbor District, Detroit Conference of Brighton offered the following invocation:

Holy and merciful God, we are thankful to You for the opportunity to come together this morning. We pause this day to ask for Your presence here in this chamber. Some of us have been able to take some time away for rest and renewal and are now refreshed and willing to get back to business. We thank You for that peaceful time.

O God, these Senators have been elected to serve and are, therefore, privileged to do the work of the people, the people of the great state of Michigan. We humbly ask for Your strength upon them. We ask for Your wisdom, O God, and discernment so that the work of this body may be for the good of the people of this state.

May the introduction and adoption of legislation that is accomplished here be done in a principled manner, less dependent on political ideology, partisanship, and divisiveness, but more with an emphasis on the right and the good. You have blessed us, O God, with many gifts and talents, none more important than another. So as we gather together with a united purpose, we can become one body. Working together, we can become a complete whole. We ask, O God, for Your direction and assistance with this aim.

We ask, God, for Your strength and protection on others serving in state government, especially on our Governor Rick Snyder and our Lieutenant Governor Brian Calley. We pray, O God, for peace in all lands. As we continue striving for that day, we ask for Your continued blessing and protection on those men and women who serve in our military protecting our freedom in our state, our country, and throughout the world. We thank You for their and their families' sacrifices on our behalf.

We ask, O Lord, for Your continued blessing on all our people, our families, our great state, and on our country. All this we humbly ask in Your holy name. Amen.

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

Motions and Communications

Senator Marleau entered the Senate chamber.

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

Senator Hopgood moved that Senator Hunter be excused from today's session. The motion prevailed.

Senator Meekhof moved that rule 3.902 be suspended to allow the guests of Senator Kahn admittance to the Senate floor, including the center aisle.

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

Senator Meekhof moved that rule 3.901 be suspended to allow photographs to be taken from the Senate floor. The motion prevailed, a majority of the members serving voting therefor.

The Secretary announced that the following House bill was received in the Senate and filed on Thursday, February 14:
House Bill No. 4153

The Secretary announced that the following bills were printed and filed on Thursday, February 14, and are available at the Michigan Legislature website:

Senate Bill Nos.	180	181	182	183	184	185	186	187	188	189	190	191	192	193
	194	195	196	197	198	199	200	201	202	203	204			
House Bill Nos.	4250	4251	4252	4253										

The Secretary announced that the following bills were printed and filed on Friday, February 15, and are available at the Michigan Legislature website:

House Bill Nos.	4254	4255	4256	4257	4258	4259	4260	4261	4262	4263	4264	4265
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Recess

Senator Meekhof moved that the Senate recess subject to the call of the Chair. The motion prevailed, the time being 10:06 a.m.

10:16 a.m.

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

During the recess, Senator Kahn introduced the Ithaca High School Yellowjackets Varsity Football Team, MHSAA Division 6 State Champions; Head Coach Terry Hessbrook and assistant coaches; and presented them with a Special Tribute. Coach Hessbrook responded briefly.

During the recess, Senators Johnson, Smith and Young entered the Senate Chamber.

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 Robertson 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 without amendment, the following bills:

Senate Bill No. 19, entitled

A bill to amend 1987 PA 173, entitled "Mortgage brokers, lenders, and servicers licensing act," by amending section 33 (MCL 445.1683), as amended by 2009 PA 76.

Senate Bill No. 97, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 907 (MCL 257.907), as amended by 2011 PA 159.

The bills were placed on the order of Third Reading of Bills.

Resolutions

The question was placed on the adoption of the following resolution consent calendar:

Senate Resolution No. 18

The resolution consent calendar was adopted.

Senators Pappageorge, Brandenburg, Jansen, Hansen, Nofs, Booher, Marleau, Bieda and Proos offered the following resolution:

Senate Resolution No. 18.

A resolution commemorating March 2013 as Ethnic and Cultural Heritage Month in the state of Michigan.

Whereas, The culture of the people of the state of Michigan has continually been renewed and enriched by the many different individuals who have chosen to come to Michigan, become citizens, and call this state their home; and

Whereas, Each individual brings with them a part of his or her own heritage which over time integrates into one common heritage, leading us to become a united people; and

Whereas, As unified people with one common heritage, we represent the past, present, and future traditions of our great state; and

Whereas, As united citizens, we celebrate Michigan's heritage with pride and great esteem; now, therefore, be it

Resolved by the Senate, That we hereby proclaim March 2013 as Ethnic and Cultural Heritage Month in the state of Michigan; and be it further

Resolved, That a copy of this resolution be transmitted to Royal Oak resident Joan Larson, who originated this idea years ago, as a token of our highest esteem.

Senators Anderson, Hildenbrand, Hopgood and Rocca were named co-sponsors of the resolution.

Senate Concurrent Resolution No. 5.

A concurrent resolution to urge the United States Department of Energy and the Nuclear Regulatory Commission to fulfill their obligation to establish a permanent repository for high-level nuclear waste.

The question being on the adoption of the concurrent resolution,

Senator Meekhof requested the yeas and nays.

The yeas and nays were ordered, 1/5 of the members present voting therefor.

The concurrent resolution was adopted, a majority of the members voting therefor, as follows:

Roll Call No. 25

Yeas—35

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

Nays—1

Young

Excused—1

Hunter

Not Voting—0

In The Chair: President

Senators Warren, Hopgood, Anderson, Bieda, Nofs, Marleau, Booher, Jones, Hood, Brandenburg and Whitmer offered the following resolution:

Senate Resolution No. 17.

A resolution to memorialize the President and the Congress of the United States to pass the reauthorization legislation for the Violence Against Women Act expeditiously and without partisanship.

Whereas, The Violence Against Women Act (VAWA) was created by Congress with the purpose of helping curb the epidemic of domestic violence in the United States and was reauthorized with bipartisan support in 2000 and 2005; and

Whereas, The act provides critical funding for shelters and other services and targets resources toward prosecution of violent crimes against women, who are often without the necessary resources to navigate the legal system or cannot afford legal representation; and

Whereas, The programming and funding provided in the act have been highly successful. Since it was first signed into law, the number of women killed nationwide by their intimate partner has fallen 30 percent, and the annual rate of domestic violence against women fell more than 60 percent; and

Whereas, Even after the success of VAWA, 1 in 4 women experiences domestic violence in her lifetime. Moreover, more than 2 million adults and 15 million children are exposed to such violence annually. In Michigan, 68,500 women were victims of domestic violence in 2011 alone, and over 100 domestic violence-related homicides occur in Michigan each year, proving that reauthorization of VAWA is essential to women’s health and safety in this country and in this state; and

Whereas, The U.S. Senate has now introduced legislation to reauthorize VAWA. The standoff over the House and Senate versions of the VAWA reauthorization last year resulted in the legislation expiring for the first time. However, significant compromises have been incorporated into the reintroduced bill in the Senate in order to make progress on this important piece of legislation. Given that compromise, there is no excuse to let VAWA reauthorization continue to drag on; and

Whereas, The consequences of domestic violence are evidenced in the lives of countless women who are at risk daily. Such violence is happening around the world, in this country, and in our own state; now, therefore, be it

Resolved by the Senate, That we memorialize the President and the Congress of the United States to pass the reauthorization legislation for the Violence Against Women Act expeditiously and without partisanship; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, the U.S. Secretary of State, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

Pending the order that, under rule 3.204, the 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 resolution,

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

The motion prevailed.

Introduction and Referral of Bills

Senators Emmons, Anderson, Moolenaar, Nofs, Colbeck, Jones, Proos, Brandenburg, Pappageorge, Jansen, Hansen, Kowall, Hildenbrand, Schuitmaker, Young, Robertson, Warren, Casperson, Richardville and Meekhof introduced

Senate Bill No. 205, entitled

A bill to amend 1931 PA 328, entitled “The Michigan penal code,” by amending sections 448 and 451 (MCL 750.448 and 750.451), section 448 as amended by 2002 PA 45 and section 451 as amended by 2002 PA 44.

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

Senators Schuitmaker, Emmons, Anderson, Nofs, Moolenaar, Jansen, Jones, Pappageorge, Proos, Booher, Green, Robertson and Bieda introduced

Senate Bill No. 206, entitled

A bill to amend 1927 PA 175, entitled “The code of criminal procedure,” by amending section 16w of chapter XVII (MCL 777.16w), as amended by 2010 PA 361.

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

House Bill No. 4153, entitled

A bill to amend 1933 PA 167, entitled “General sales tax act,” by amending section 6a (MCL 205.56a), as amended by 2012 PA 509.

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 Transportation.

Statements

Senators Hopgood, Colbeck and Kahn asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Hopgood’s statement is as follows:

I rise to speak to my legislation, Senate Bill Nos. 95 and 96, which would repeal the so-called right-to-work laws. As you may know, the laws will take effect on March 28—just over a month—which is plenty of time in comparison to the way it was rammed through in five days without a public hearing in the lame duck session. Now that we’ve all had time to understand the legislation, and the public has finally been allowed to speak on the issue, though after the fact, I think we should all be able to agree that right-to-work is not in our best interest.

Michigan’s labor movement is a great part of our rich history. Michigan has long been one of the strongest union states in the country. Every one of us has been positively impacted by unions in one way or another. We have unions to thank for the eight-hour work day, the Social Security Act, the National Labor Relations Act, the Civil Rights Act, workplace safety, and so much more. The labor movement helped create the strong middle class that we have enjoyed here in Michigan.

For years, Michiganders have cherished their ability to collectively bargain. In passing the right-to-work law in lame duck session, my colleagues on the other side of the aisle fundamentally stole the power of that ability away. In locking out the public and stashing staffer in the balcony to fill space, you effectively removed people from the process, and it was certainly no accident. You denied the people of Michigan their voice because you knew it wasn't what was best for them. It was what was best for Dick DeVos and the like. If we aren't acting on what's best for our constituents, we have no business being here in the first place.

You even went so far as to include a \$2 million appropriation in the bills to prevent the public from repealing the legislation themselves. The Governor's budget included nothing about this appropriation, further proving that there was no other purpose than to prevent a public vote. Yet I continue to hear the Governor talk of relentless positive action and how we are family, in this together, even while he continues to ask for even more sacrifice from so many.

If the rhetoric were true, he wouldn't be dismantling the middle class through legislation such as this, handing over tax cuts for businesses while slashing tax credits that help those most in need, and destroying our public education system as we know it. That's not relentless positive action and no way to treat your family.

There is no data demonstrating any ability of the legislation to create a single job in this state. Ask the Governor, he said it himself that right-to-work legislation is irrelevant to Michigan's economic future. The strongest evidence ever indicated was that of Indiana, where there were claims of organizations relocating because of the publicity. However, the only organization they ever named has recently said that right to work had absolutely nothing to do with relocation.

Here's what the data really shows: Only 1 of 10 states with the highest per capita income in 2010 was a right-to-work state. Of the 10 states with the lowest per capita income in 2010, 7 were right-to-work states. Among the 10 fastest-growing states, only 3 are right-to-work states. Among the 10 states with the most uninsured residents in 2011, 6 were right-to-work states. The facts speak for themselves.

Here's the good news: We have the opportunity to right a very serious wrong. I ask that you give Senate Bill Nos. 95 and 96 a committee hearing and expedite them through the legislative process. Do it for the people of Michigan, who would have told you not to support right to work in the first place, had you given them a chance.

Senator Colbeck's statement is as follows:

I rise today to talk a little bit about how to raise road money without raising taxes. I still recall my orientation session shortly after being elected. I was treated to a nonpartisan symposium on the need to raise taxes as the de facto solution for all of our budgetary ailments. In fact, the options for transportation funding were quite innovative: raise gasoline taxes, raise sales taxes, create a new tire tax, or raise registration fees.

As an advocate of consumption-driven tax policy, I understand the logic of tying these revenue sources with road funding. It is worth noting, however, that we already invoke user fees to fund our roads to the tune of 19 cents per gallon and close to a billion dollars by transportation-related registration fees, licenses, and the like. Our total budget last year for transportation was around \$3.3 billion. The bulk of the difference between our user fees and the transportation budget was made up from federal funding.

Governor Snyder has outlined the need for an additional \$1.2 billion in funding to improve our transportation infrastructure. We are left with the observation that our state has purchased the equivalent of a larger home than we can afford because we forget that we had to pay for ongoing expenses like utilities and property taxes after the house was built.

Okay, for the sake of simplicity, let's assume for a moment that there are no opportunities for expense reduction within MDOT. All indications are that MDOT is one of the most lean state transportation agencies in the nation. In fact, I requested a lean analysis of a typical highway construction project in the state, and it returned no useful information whatsoever.

So if we take user fees off the table, what other revenue opportunities do we have? For starters, our state economy is improving. The General Fund is forecasted to yield 5.4 percent from the FY '12-'13 figure. This corresponds to roughly \$500 million. If we were to freeze spending for all agencies that depend upon the General Fund, that \$500 million would be available to fund roads. When you eliminate the one-time spending in our budget last year, that figure is even larger. Let's work with that \$500 million figure for the time being. We still need to find \$700 million.

Did you know that we pay \$833 million in debt payments every year? If we paid off our state credit cards, we would have an additional \$833 million per year. Instead of paying interest to banks, we could even start to earn interest that could help fund our roads. Perhaps we should invest our economic growth dividend and even our rainy day fund, potentially, to pay off our debt. Once the slate is clean, in as little as two years, we can ramp up the appropriations for our roads.

When businesses run into financial trouble, in addition to finding ways to cut expenses, they look for assets that can be leveraged to earn additional revenue. What assets do we have in the state of Michigan? One of our best assets is our hardworking citizens. Finding jobs for the 411,000 unemployed citizens in our state would yield over \$1 billion in income tax revenue alone. If we continue to promote pro-growth economic policies as we have over the past two years and the federal government finally stops strangling the growth of the national economy, we will see additional economic growth dividends, perhaps even enough to close the \$700 million gap. But let's not stop there, though. Let's keep thinking outside of the box and look at some other assets.

We currently have 10,711 bridges, 131 Secretary of State offices, 81 rest areas, 97 state parks, 829 boat access sites, 16 harbors, and over 15,000 properties in the state land bank. What if we were to lease billboard space on our bridges? The National Conference of State Legislatures has identified advertising, concessions, naming rights, and shared resources as incremental revenue opportunities for states.

Billboard leases range from \$250 to \$1,800 per month depending on location. We could raise an additional \$460 million per year in advertising revenue simply by adding another placard to our overpasses. As for our other assets, we could lease advertising space at our Secretary of State offices. Our rest areas feature over 50 million visitors per year. Our state parks feature 24 million visitors.

Are there downside risks with these proposals? Yes. The key question, though, is do these risks outweigh the very real impacts to our taxpayers when taxes and registration fees go up or the quality of our roads go down?

Oh, by the way, I have not given up on expense reduction as a solution. Transparency legislation that I introduced last year will unleash 10 million accountants, i.e., all the citizens in our state, within three months of budget passage. It may not help with this year's budget, but it will help with next year's budget. A modest 5 percent in spending reduction, rather than the proposed 5 percent increase, would yield an additional \$500 million that could be applied to roads.

Senator Kahn's statement is as follows:

I would like to make a couple of points for those of you who have interest in the proceedings coming forth in the Transportation Committee, and, of course, you all have seen article after article in the newspapers about this. One point that I would like to make is that MDOT has performed its work over the past ten years ultimately with 25 percent or more fewer employees. In terms of MDOT's reputation, which I see questioned, the founder asked management across the United States how to get the most bang for your buck in road projects.

While it's true that there are theoretical ways that we could enhance revenues and enhance the ability to fund roads, I don't believe a 0 percent unemployment rate, for example, is something at the end of the day that we could agree is achievable. I do think that issues intended to—for example, advertising—are explorable, but we are constrained in our ability to do that by federal rules and regulations, as well as local rules and regulations. Of course, the advocates of Pure Michigan believe that travelling up and down Michigan's highways and byways becomes cluttered by the presence of billboards.

The Governor's proposal that we have been looking at, which has been introduced as bills in the Senate and not the House, serves as a place to begin the discussion. How is this discussion going? It's going towards this: Show me you're efficient, give me a number that you think that you need, find me a way to get to that number, and let's discuss it. That's where we are today. We're not ready to vote. We're not making a commitment to any particular bill or bill package. The Majority Leader has made that point clear to the media. I believe the Speaker of the House has similarly said that. Furthermore, the administration, too, has said that they are not wedded to a particular proposal. Therefore, it becomes our job to construct such a proposal that will meet with not just your approval, but with the approval of your constituents.

This Sunday, I was at Kroger and when I got to the checkout line, the lady said to me: "You know, I have minimum wage and an increase in the gas tax is going to make it very hard for me to be able to pay my other bills." That comment needs to be weighed along with the other things about death rates for bad roads and the cost of fixing them.

It is clear that we do have a sound bite: We do want to save lives, we do want to save money, and we do want to have jobs. Those are the talking the points that I would have you bear in mind as we continue these deliberations.

Committee Reports

COMMITTEE ATTENDANCE REPORT

The Subcommittee on Department of Community Health submitted the following:

Meeting held on Thursday, February 14, 2013, at 1:30 p.m., Rooms 402 and 403, Capitol Building

Present: Senators Moolenaar (C), Caswell and Booher

Excused: Senator Gregory

COMMITTEE ATTENDANCE REPORT

The Subcommittee on Licensing and Regulatory Affairs submitted the following:

Meeting held on Thursday, February 14, 2013, at 1:30 p.m., Senate Hearing Room, Ground Floor, Boji Tower

Present: Senators Jansen (C) and Proos

Excused: Senator Johnson

COMMITTEE ATTENDANCE REPORT

The Committee on Infrastructure Modernization submitted the following:

Joint meeting held on Thursday, February 14, 2013, at 2:05 p.m., House Appropriations Room, 3rd Floor, Capitol Building
Present: Senators Kahn (C), Pappageorge, Booher, Jansen, Brandenburg, Hood and Warren

COMMITTEE ATTENDANCE REPORT

The Subcommittee on State Police and Military Affairs submitted the following:

Meeting held on Thursday, February 14, 2013, at 3:00 p.m., Room 405, Capitol Building

Present: Senators Colbeck (C) and Pappageorge

Excused: Senator Gregory

Scheduled Meetings

Appropriations -

Subcommittees -

Agriculture and Rural Development - Tuesday, February 26, 3:00 p.m., Senate Hearing Room, Ground Floor, Boji Tower (373-2768)

Community Colleges - Wednesday, February 20, 9:00 a.m., Room 405, Capitol Building (373-2768)

Community Health Department - Thursday, February 21, 1:30 p.m., Senate Hearing Room, Ground Floor, Boji Tower; and Thursday, February 28, 1:30 p.m., Rooms 402 and 403, Capitol Building (373-2768)

General Government - Tuesdays, February 26, March 5, March 12, March 19, and April 9, 2:30 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-2768)

K-12, School Aid, Education - Wednesday, February 20, 9:00 a.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-2768)

K-12, School Aid, Education and House School Aid Appropriations Subcommittee - Tuesday, February 26, 8:00 a.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-2768)

State Police and Military Affairs - Thursdays, February 21, February 28, and March 7, 3:00 p.m., Room 405, Capitol Building (373-2768)

Transportation - Thursday, February 21, 1:00 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-2768)

Economic Development - Thursday, February 21, 1:30 p.m., Room 100, Farnum Building (373-5323)

Infrastructure Modernization and House Transportation and Infrastructure - Thursday, February 21, 2:00 p.m., Room 519, South Tower, House Office Building (373-1760)

Legislative Council - Thursday, February 21, 8:45 a.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-0212)

Michigan Law Revision Commission - Thursday, February 21, 11:30 a.m., Legislative Council Conference Room, 3rd Floor, Boji Tower (373-0212)

Natural Resources, Environment and Great Lakes - Thursday, February 21, 8:30 a.m., Room 210, Farnum Building (373-5323)

Outdoor Recreation and Tourism - Thursday, February 21, 12:30 p.m., Room 110, Farnum Building (373-5323)

Reforms, Restructuring and Reinventing - Wednesday, February 20, 8:30 a.m., Rooms 402 and 403, Capitol Building (373-5307)

Senator Meekhof moved that the Senate adjourn.
The motion prevailed, the time being 10:42 a.m.

The President, Lieutenant Governor Calley, declared the Senate adjourned until Wednesday, February 20, 2013, at 10:00 a.m.

CAROL MOREY VIVENTI
Secretary of the Senate

