

No. 3  
STATE OF MICHIGAN  
**Journal of the Senate**  
94th Legislature  
REGULAR SESSION OF 2008

---

---

Senate Chamber, Lansing, Thursday, January 17, 2008.

10:00 a.m.

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

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

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

Garcia—excused  
George—present  
Gilbert—present  
Gleason—excused  
Hardiman—present  
Hunter—present  
Jacobs—present  
Jansen—present  
Jelinek—present  
Kahn—present  
Kuipers—present  
McManus—present  
Olshove—present

Pappageorge—present  
Patterson—present  
Prusi—present  
Richardville—present  
Sanborn—present  
Schauer—present  
Scott—present  
Stamas—present  
Switalski—present  
Thomas—present  
Van Woerkom—present  
Whitmer—present

Father Nick Pathenos of St. George Greek Orthodox Church of Bloomfield Hills offered the following invocation:

Lord God, Creator of those things seen and of all those things that are not seen, we ask that You send down Your Spirit and continue to enlighten these servants of Your people. We ask that You give them wisdom. We ask that You give them discernment. We ask that You give them strength. The wisdom to be ever mindful that You are the author of all creation and that we, Your creatures, are charged with the stewardship of this planet, its environment, and its governance. Grant them the discernment to govern with prudence and in righteousness.

We ask that You endow these men and women with the strength to lead in a spirit of service; that same spirit of service that You expected from Your own disciples. Again, in Your holy scriptures we read that many are called, but few are chosen. We ask that You abundantly bless these servants chosen by the people of the great state of Michigan. We ask that You shelter them under the shadow of Your wings. Amen.

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

### Motions and Communications

The following communication was received and read:  
Office of the Auditor General

January 15, 2008

Enclosed is a copy of the following audit report:

Performance audit of the Parole Supervision and Parole Hearing Process, Department of Corrections.

Sincerely,

Thomas H. McTavish, C.P.A.

Auditor General

The audit report was referred to the Committee on Government Operations and Reform.

The following communication was received:  
Department of Treasury

January 15, 2008

Please find attached one copy of the Principal Residence Exemption Compliance Program Quarterly Report for the period October 1, 2007 through December 31, 2007. The report is required by Public Act 127 of 2007, the General Government Appropriations Act. Section 947 of the Act provides, in part, as follows:

(1) Of the \$5,267,400.00 included in part 1 for the revenue enhancement program, \$4,767,400.00 shall be used for revenue collection enhancement activities including auditing functions.

(3) The \$500,000.00 balance of the \$5,267,400.00 shall be used for the principal residence exemption compliance program. Along with other program costs, expenditures shall include the development of a statewide web-based database created for the purpose of enforcing the principal residence exemption compliance program. The department shall submit quarterly progress reports that include the number of exemptions denied and the revenue received under this program. The legislative auditor general shall complete a performance audit of the principal residence exemption compliance program prior to April 1, 2008. Revenue generated to the state from the principal residence exemption compliance program shall be used to reimburse the state general fund for the \$500,000.00 appropriation prior to any other allocation. Additional funds from the revenue enhancement program and carry-forward appropriations may be used to support costs in excess of \$500,000.00.

Sincerely,

Frederick Headen, Director

Bureau of Local Government Services

The communication was referred to the Secretary for record.

Senator Thomas moved that Senator Gleason be excused from today's session.  
The motion prevailed.

Senators Scott and Brown entered the Senate Chamber.

Senator Cropsey moved that Senator Richardville be temporarily excused from today's session.  
The motion prevailed.

Senator Cropsey moved that Senator Garcia be excused from today's session.  
The motion prevailed.

Senator Cropsey moved that the Committee on Appropriations be discharged from further consideration of the following bills:

**House Bill No. 4854, entitled**

A bill to amend 1965 PA 314, entitled "Public employee retirement system investment act," (MCL 38.1132 to 38.1140m) by adding section 13c.

**House Bill No. 4903, entitled**

A bill to amend 1965 PA 314, entitled "Public employee retirement system investment act," (MCL 38.1132 to 38.1140m) by adding section 13c.

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

Senator Cropsey moved that the bills be referred to the Committee on Homeland Security and Emerging Technologies.  
The motion prevailed.

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

**Senate Bill No. 43**

**House Bill No. 4044**

The motion prevailed.

Senator Cherry asked and was granted unanimous consent to make a statement and moved that the statement be printed in the Journal.

The motion prevailed.

Senator Cherry's statement is as follows:

It gives me great pleasure and sadness today to announce to my colleagues that one of my staff people will be leaving to go student teach at the DeWitt schools. Many of you know the Nyquists and many of you know Minda Nyquist. She's been a great addition to my office. We've enjoyed her tremendously. My constituents enjoy talking to Minda especially, which they do often. She's been a great asset to my office and she has livened us all up.

We're very sorry to see you go, Minda, but we do wish you well, and we know that you are going to be great teacher. Thank you for all of your service to the state.

The Secretary announced that the following House bills were received in the Senate and filed on Wednesday, January 16:

**House Bill Nos. 4560 5351**

The Secretary announced the enrollment printing and presentation to the Governor on Thursday, January 10, for her approval the following bills:

**Enrolled Senate Bill No. 545 at 2:18 p.m.**

**Enrolled Senate Bill No. 730 at 2:20 p.m.**

The Secretary announced that the following official bill was printed on Wednesday, January 16, and is available at the legislative website:

**Senate Bill No. 1014**

### Messages from the Governor

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

**Senate Bill No. 436**

**Senate Bill No. 222**

**Senate Bill No. 229**

**Senate Bill No. 232**  
**Senate Bill No. 238**  
**Senate Bill No. 240**  
 The motion prevailed.

The following message from the Governor was received:

Date: January 16, 2008  
 Time: 8:00 a.m.

To the President of the Senate:

Sir—I have this day approved and signed

**Enrolled Senate Bill No. 545 (Public Act No. 2), being**

An act to amend 1994 PA 451, entitled “An act to protect the environment and natural resources of the state; to codify, revise, consolidate, and classify laws relating to the environment and natural resources of the state; to regulate the discharge of certain substances into the environment; to regulate the use of certain lands, waters, and other natural resources of the state; to prescribe the powers and duties of certain state and local agencies and officials; to provide for certain charges, fees, assessments, and donations; to provide certain appropriations; to prescribe penalties and provide remedies; and to repeal acts and parts of acts,” by amending section 3118 (MCL 324.3118), as amended by 2004 PA 91.

(Filed with the Secretary of State on January 16, 2008, at 3:55 p.m.)

Respectfully,  
 Jennifer M. Granholm  
 Governor

### Messages from the House

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

**Senate Bill No. 53**  
**House Bill No. 4120**  
**Senate Bill No. 511**  
**House Bill No. 4507**  
**Senate Bill No. 388**  
**Senate Bill No. 868**  
 The motion prevailed.

**Senate Bill No. 92, entitled**

A bill to amend 1994 PA 451, entitled “Natural resources and environmental protection act,” by amending sections 12101, 12102, 12103, 12105, 12107, 12111, 12112, and 12113 (MCL 324.12101, 324.12102, 324.12103, 324.12105, 324.12107, 324.12111, 324.12112, and 324.12113), sections 12101 and 12102 as amended by 2001 PA 165, sections 12103 and 12112 as amended by 2007 PA 75, and sections 12105 and 12107 as amended by 1998 PA 140, and by adding section 12102a.

The House of Representatives has substituted (H-1) the bill.

The House of Representatives has passed the bill as substituted (H-1), ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

Pursuant to rule 3.202, the bill was laid over one day.

By unanimous consent the Senate proceeded to the order of

### General Orders

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

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

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

**Senate Bill No. 524, entitled**

A bill to amend 1992 PA 234, entitled “The judges retirement act of 1992,” (MCL 38.2101 to 38.2670) by adding section 514.

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. 505, entitled**

A bill to amend 1927 PA 372, entitled "An act to regulate and license the selling, purchasing, possessing, and carrying of certain firearms and gas ejecting devices; to prohibit the buying, selling, or carrying of certain firearms and gas ejecting devices without a license or other authorization; to provide for the forfeiture of firearms under certain circumstances; to provide for penalties and remedies; to provide immunity from civil liability under certain circumstances; to prescribe the powers and duties of certain state and local agencies; to prohibit certain conduct against individuals who apply for or receive a license to carry a concealed pistol; to make appropriations; to prescribe certain conditions for the appropriations; and to repeal all acts and parts of acts inconsistent with this act," by amending sections 1 and 5o (MCL 28.421 and 28.425o), as amended by 2002 PA 719.

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.

Senator Hardiman moved that he be named co-sponsor of the following bills and joint resolution:

**Senate Bill No. 846**

**Senate Bill No. 847**

**Senate Bill No. 848**

**Senate Bill No. 849**

**Senate Bill No. 850**

**Senate Bill No. 851**

**Senate Bill No. 852**

**Senate Bill No. 853**

**Senate Bill No. 854**

**Senate Bill No. 855**

**Senate Bill No. 856**

**Senate Joint Resolution J**

The motion prevailed.

## Resolutions

### **Senate Resolution No. 122.**

A resolution to urge state departments, universities, community colleges, and local units of government not to invest or deposit any funds in any business, legal, or governmental entity or institution that is engaged in business with known state sponsors of terror or has facilities in these countries.

The question being on the adoption of the following committee substitute:

Substitute (S-1).

The substitute was adopted.

The resolution, as substituted, was adopted.

### **Senate Concurrent Resolution No. 21.**

A concurrent resolution to urge state departments, public universities, public community colleges, and local units of government not to invest or deposit any funds in any business, legal, or governmental entity or institution that is engaged in business with known state sponsors of terror or has facilities in these countries.

The question being on the adoption of the following committee substitute:

Substitute (S-1).

The substitute was adopted.

The concurrent resolution, as substituted, was adopted.

### **House Concurrent Resolution No. 57.**

A concurrent resolution to encourage the federal government to remove the double-crested cormorant from the list of protected species under the Migratory Bird Treaty Act of 1918.

Whereas, The Migratory Bird Treaty Act, a domestic law, was enacted to implement international conventions between the United States and Canada, Japan, Russia, and Mexico. In 1972, the cormorant was added to the convention between

Mexico and the United States and subsequently to the federal act because its numbers had declined significantly due to pollution in the Great Lakes; and

Whereas, In the past 15 years, the populations of double-crested cormorants have exceeded acceptable levels and are disrupting the ecosystem in many areas of the Great Lakes region and beyond. Once an uncommon species, the birds can now be found throughout the Great Lakes. The double-crested cormorant's numbers are at historic highs in the Great Lakes region, with an estimated population of greater than 600,000 birds in 2005; and

Whereas, The return of double-crested cormorants to such high numbers has brought significant problems, especially to commercial fishing and the Michigan economy. The double-crested cormorant feeds on small fish, including fry. The cormorant population has caused significant devastation to Michigan's Les Cheneaux Islands, destroying vegetation and depleting the yellow perch population. Due to the decline in recreational fishing opportunities, several businesses have had to close, causing undue hardship on the local economy; and

Whereas, There is also a large and growing population of double-crested cormorants in the Ludington area along Lake Michigan. The Little Manistee, Manistee, and Pere Marquette Rivers all enter Lake Michigan in this area. These rivers provide some of the best steelhead, salmon, and walleye spawning rivers in northern Michigan. Each adult cormorant can consume 1.0 to 1.5 pounds of fish per day, including small steelhead, salmon, and walleye. Cormorants have established a nesting ground on the Consumers Energy Ludington Pump Storage Facility breakwall, historic lighthouses, the Beaver Island Archipelago, and many other islands in and around the Great Lakes, causing environmental damage and depleting the local fish population; and

Whereas, The United States Department of Agriculture has undertaken limited pilot projects in Michigan to control double-crested cormorant populations. While these initial projects have shown some success in controlling cormorants, the nonlethal controls used in these projects just touch the surface of the cormorant problem in Michigan. The Les Cheneaux pilot project called for killing just 15 percent of the nesting adult birds. Adult cormorants typically lay three to six eggs each year; and

Whereas, The need for protection initially established in 1972 is no longer relevant and, in fact, hinders efforts to control double-crested cormorant overpopulation. By removing the double-crested cormorant from the protection of the Migratory Bird Treaty Act, states can take over management of the birds, ensuring a population that is acceptable to the resources of the individual states; now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That we encourage the federal government to remove the double-crested cormorant from the list of protected species under the Migratory Bird Treaty Act of 1918; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, the members of the Michigan congressional delegation, and the Director of the United States Fish and Wildlife Service.

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 and Reform,

Senator Cropsey 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 Cropsey moved that the concurrent resolution be referred to the Committee on Natural Resources and Environmental Affairs.

The motion prevailed.

Senators Barcia, Cassis and Pappageorge were named co-sponsors of the concurrent resolution.

Senator Richardville entered the Senate Chamber.

### **House Concurrent Resolution No. 66.**

A concurrent resolution providing for a joint convention of the House of Representatives and the Senate.

Resolved by the House of Representatives (the Senate concurring), That the House of Representatives and Senate meet in joint convention in the Hall of the House of Representatives, Tuesday, January 29, 2008, at 6:30 p.m., to receive the message of Governor Jennifer M. Granholm.

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 and Reform,

Senator Cropsey moved that the rule be suspended.

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

The concurrent resolution was adopted.

Senators Barcia, Basham, Brater, Cassis, Clarke, Pappageorge, Richardville, Schauer and Switalski were named co-sponsors of the concurrent resolution.

Senator Whitmer entered the Senate Chamber.

By unanimous consent the Senate returned to the order of  
**Third Reading of Bills**

Senator Cropsey moved that the following bills and joint resolution be placed at the head of the Third Reading of Bills calendar:

**Senate Bill No. 846**  
**Senate Bill No. 847**  
**Senate Bill No. 848**  
**Senate Bill No. 849**  
**Senate Bill No. 850**  
**Senate Bill No. 851**  
**Senate Bill No. 852**  
**Senate Bill No. 853**  
**Senate Bill No. 854**  
**Senate Bill No. 855**  
**Senate Bill No. 856**  
**Senate Joint Resolution J**  
**Senate Bill No. 967**  
**Senate Bill No. 999**

The motion prevailed.

The following bill was read a third time:

**Senate Bill No. 846, entitled**

A bill to prohibit the investment of certain state money or other assets in companies with certain types of business operations in countries designated as state sponsors of terror; to require divestment of any current investments in those companies; and to provide for the powers and duties of certain state and local governmental officers and entities.

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. 1**

**Yeas—36**

Allen	Cherry	Jansen	Richardville
Anderson	Clark-Coleman	Jelinek	Sanborn
Barcia	Clarke	Kahn	Schauer
Basham	Cropsey	Kuipers	Scott
Birkholz	George	McManus	Stamas
Bishop	Gilbert	Olshove	Switalski
Brater	Hardiman	Pappageorge	Thomas
Brown	Hunter	Patterson	Van Woerkom
Cassis	Jacobs	Prusi	Whitmer

**Nays—0**

**Excused—2**

Garcia

Gleason





**Roll Call No. 3****Yeas—36**

Allen	Cherry	Jansen	Richardville
Anderson	Clark-Coleman	Jelinek	Sanborn
Barcia	Clarke	Kahn	Schauer
Basham	Cropsey	Kuipers	Scott
Birkholz	George	McManus	Stamas
Bishop	Gilbert	Olshove	Switalski
Brater	Hardiman	Pappageorge	Thomas
Brown	Hunter	Patterson	Van Woerkom
Cassis	Jacobs	Prusi	Whitmer

**Nays—0****Excused—2**

Garcia                      Gleason

**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

The following bill was read a third time:

**Senate Bill No. 849, entitled**

A bill to amend 1994 PA 451, entitled “Natural resources and environmental protection act,” (MCL 324.101 to 324.90106) by adding section 503b.

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. 4****Yeas—36**

Allen	Cherry	Jansen	Richardville
Anderson	Clark-Coleman	Jelinek	Sanborn
Barcia	Clarke	Kahn	Schauer
Basham	Cropsey	Kuipers	Scott
Birkholz	George	McManus	Stamas
Bishop	Gilbert	Olshove	Switalski
Brater	Hardiman	Pappageorge	Thomas
Brown	Hunter	Patterson	Van Woerkom
Cassis	Jacobs	Prusi	Whitmer

**Nays—0****Excused—2**

Garcia                      Gleason

**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

The following bill was read a third time:

**Senate Bill No. 850, entitled**

A bill to amend 1966 PA 331, entitled “Community college act of 1966,” by amending sections 124 and 142 (MCL 389.124 and 389.142), section 124 as amended by 2007 PA 109 and section 142 as amended by 1997 PA 23.

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. 5****Yeas—36**

Allen	Cherry	Jansen	Richardville
Anderson	Clark-Coleman	Jelinek	Sanborn
Barcia	Clarke	Kahn	Schauer
Basham	Cropsey	Kuipers	Scott
Birkholz	George	McManus	Stamas
Bishop	Gilbert	Olshove	Switalski
Brater	Hardiman	Pappageorge	Thomas
Brown	Hunter	Patterson	Van Woerkom
Cassis	Jacobs	Prusi	Whitmer

**Nays—0****Excused—2**

Garcia	Gleason
--------	---------

**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

The following bill was read a third time:

**Senate Bill No. 851, entitled**

A bill to amend 1984 PA 270, entitled “Michigan strategic fund act,” (MCL 125.2001 to 125.2094) by adding section 7a.

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. 6****Yeas—36**

Allen	Cherry	Jansen	Richardville
Anderson	Clark-Coleman	Jelinek	Sanborn

Barcia	Clarke	Kahn	Schauer
Basham	Cropsey	Kuipers	Scott
Birkholz	George	McManus	Stamas
Bishop	Gilbert	Olshove	Switalski
Brater	Hardiman	Pappageorge	Thomas
Brown	Hunter	Patterson	Van Woerkom
Cassis	Jacobs	Prusi	Whitmer

**Nays—0**

**Excused—2**

Garcia	Gleason
--------	---------

**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

The following bill was read a third time:

**Senate Bill No. 852, entitled**

A bill to amend 2000 PA 489, entitled “Michigan trust fund act,” by amending section 7 (MCL 12.257), as amended by 2007 PA 50.

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. 7**

**Yeas—36**

Allen	Cherry	Jansen	Richardville
Anderson	Clark-Coleman	Jelinek	Sanborn
Barcia	Clarke	Kahn	Schauer
Basham	Cropsey	Kuipers	Scott
Birkholz	George	McManus	Stamas
Bishop	Gilbert	Olshove	Switalski
Brater	Hardiman	Pappageorge	Thomas
Brown	Hunter	Patterson	Van Woerkom
Cassis	Jacobs	Prusi	Whitmer

**Nays—0**

**Excused—2**

Garcia	Gleason
--------	---------

**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

The following bill was read a third time:

**Senate Bill No. 853, entitled**

A bill to amend 1982 PA 249, entitled “An act to establish the state children’s trust fund in the department of treasury; and to provide certain powers and duties of the department of treasury with respect to the trust fund,” by amending section 1 (MCL 21.171), as amended by 2005 PA 119.

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. 8****Yeas—36**

Allen	Cherry	Jansen	Richardville
Anderson	Clark-Coleman	Jelinek	Sanborn
Barcia	Clarke	Kahn	Schauer
Basham	Cropsey	Kuipers	Scott
Birkholz	George	McManus	Stamas
Bishop	Gilbert	Olshove	Switalski
Brater	Hardiman	Pappageorge	Thomas
Brown	Hunter	Patterson	Van Woerkom
Cassis	Jacobs	Prusi	Whitmer

**Nays—0****Excused—2**

Garcia	Gleason
--------	---------

**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

The following bill was read a third time:

**Senate Bill No. 854, entitled**

A bill to amend 1855 PA 105, entitled “An act to regulate the disposition of the surplus funds in the state treasury; to provide for the deposit of surplus funds in certain financial institutions; to lend surplus funds pursuant to loan agreements secured by certain commercial, agricultural, or industrial real and personal property; to authorize the loan of surplus funds to certain municipalities; to authorize the participation in certain loan programs; to authorize an appropriation; and to prescribe the duties of certain state agencies,” (MCL 21.141 to 21.147) by adding section 5.

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. 9****Yeas—36**

Allen	Cherry	Jansen	Richardville
Anderson	Clark-Coleman	Jelinek	Sanborn
Barcia	Clarke	Kahn	Schauer
Basham	Cropsey	Kuipers	Scott
Birkholz	George	McManus	Stamas
Bishop	Gilbert	Olshove	Switalski
Brater	Hardiman	Pappageorge	Thomas
Brown	Hunter	Patterson	Van Woerkom
Cassis	Jacobs	Prusi	Whitmer

**Nays—0****Excused—2**

Garcia                      Gleason

**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

The following bill was read a third time:

**Senate Bill No. 855, entitled**

A bill to amend 1972 PA 239, entitled "McCauley-Traxler-Law-Bowman-McNeely lottery act," by amending section 41 (MCL 432.41), as amended by 1997 PA 72.

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. 10****Yeas—36**

Allen	Cherry	Jansen	Richardville
Anderson	Clark-Coleman	Jelinek	Sanborn
Barcia	Clarke	Kahn	Schauer
Basham	Cropsey	Kuipers	Scott
Birkholz	George	McManus	Stamas
Bishop	Gilbert	Olshove	Switalski
Brater	Hardiman	Pappageorge	Thomas
Brown	Hunter	Patterson	Van Woerkom
Cassis	Jacobs	Prusi	Whitmer

**Nays—0****Excused—2**

Garcia                      Gleason

**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

The following bill was read a third time:

**Senate Bill No. 856, entitled**

A bill to amend 1986 PA 316, entitled “Michigan education trust act,” by amending sections 9 and 11 (MCL 390.1429 and 390.1431).

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. 11**

**Yeas—36**

Allen	Cherry	Jansen	Richardville
Anderson	Clark-Coleman	Jelinek	Sanborn
Barcia	Clarke	Kahn	Schauer
Basham	Cropsey	Kuipers	Scott
Birkholz	George	McManus	Stamas
Bishop	Gilbert	Olshove	Switalski
Brater	Hardiman	Pappageorge	Thomas
Brown	Hunter	Patterson	Van Woerkom
Cassia	Jacobs	Prusi	Whitmer

**Nays—0**

**Excused—2**

Garcia	Gleason
--------	---------

**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

The following joint resolution was read a third time:

**Senate Joint Resolution J, entitled**

A joint resolution proposing an amendment to the state constitution of 1963, by amending sections 5 and 6 of article VIII and section 19 of article IX, to prohibit the investment of certain public funds in companies engaged in business with known state sponsors of terror.

The question being on the adoption of the joint resolution,

The joint resolution was adopted, 2/3 of the members serving voting therefor, as follows:

**Roll Call No. 12****Yeas—36**

Allen	Cherry	Jansen	Richardville
Anderson	Clark-Coleman	Jelinek	Sanborn
Barcia	Clarke	Kahn	Schauer
Basham	Cropsey	Kuipers	Scott
Birkholz	George	McManus	Stamas
Bishop	Gilbert	Olshove	Switalski
Brater	Hardiman	Pappageorge	Thomas
Brown	Hunter	Patterson	Van Woerkom
Cassis	Jacobs	Prusi	Whitmer

**Nays—0****Excused—2**

Garcia	Gleason
--------	---------

**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the joint resolution.

The following bill was read a third time:

**Senate Bill No. 967, entitled**

A bill to amend 2007 PA 36, entitled “Michigan business tax act,” (MCL 208.1101 to 208.1601) by adding section 450.

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. 13****Yeas—22**

Allen	Cherry	Jelinek	Patterson
Anderson	Cropsey	Kahn	Richardville
Birkholz	George	Kuipers	Sanborn
Bishop	Gilbert	McManus	Stamas
Brown	Hardiman	Pappageorge	Van Woerkom
Cassis	Jansen		

**Nays—14**

Barcia	Clarke	Prusi	Switalski
Basham	Hunter	Schauer	Thomas
Brater	Jacobs	Scott	Whitmer
Clark-Coleman	Olshove		

**Excused—2**

Garcia

Gleason

**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

Senators Switalski and Cassis asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Switalski's statement is as follows:

I want to talk about Senate Bill No. 967 and its fiscal impact. I'm reading from the Senate Fiscal Agency analysis which begins its fiscal impact by saying, "The bill would reduce General Fund revenue for FY 2007-08 and FY 2008-09 by an unknown and potentially significant amount." It goes on to say that the testimony regarding the bill suggests that the expenses across all businesses could range from \$75 million to more than \$900 million. Furthermore, it says that these impacts would come at a time where—think of it—we have just gone through last year and we've done some significant changes and got our fiscal policy right to the point where just last week we had a revenue estimating conference that said if you take into account the lapse funds, the surpluses, and then the downward revisions, we're roughly at a balance. Now why would we go from that and create another billion-dollar deficit for ourselves by this bill?

I hope members will do what is fiscally responsible and reject this bill.

Senator Cassis' statement is as follows:

Colleagues, Senate Bill No. 967 should deserve bipartisan support. Truly, this is not a Democrat or Republican issue, but a Legislature issue. The Legislature and the administration created the problem with the service tax enactment. We in the Legislature then came together to repeal this tax after especially hearing how badly and sadly it would hurt our businesses. Given Michigan's struggling economy and the ailing national economy today, let us once again come together to make right the loss of job-providing dollars due to those businesses—small, medium, and large—that complied with the two-month-old law. This credit is the right thing to do, together.

Regarding the issue of fiscal impact, let me address that as well. We think sincerely that the reimbursement is minimal, especially compared to the negative message it would send not to do it, both within and outside Michigan. Let's remember that Treasury will carefully assess the veracity of the compliance data disclosed and documented. This scrutiny really assures accuracy. Treasury's projected number of costs also reflects refundability. Refundability is not part of this bill, therefore, it's much less to comply.

Finally, we do anticipate a much lower estimate of cost than predicted because many companies that we've heard from delayed implementation, sensing that a repeal would take place, and other businesses became very innovative in being able to structure around the liability. Let's keep the good faith with our job providers and pass this bill over to the House today. I urge your support.

The following bill was read a third time:

**Senate Bill No. 999, entitled**

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," (MCL 206.1 to 206.532) by adding section 253.

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. 14****Yeas—21**Allen  
AndersonCropsey  
GeorgeJelinek  
KahnPatterson  
Richardville



Birkholz  
Bishop  
Brown  
Cassis

Gilbert  
Hardiman  
Jansen

Kuipers  
McManus  
Pappageorge

Sanborn  
Stamas  
Van Woerkom

**Nays—15**

Barcia  
Basham  
Brater  
Cherry

Clark-Coleman  
Clarke  
Hunter  
Jacobs

Olshove  
Prusi  
Schauer  
Scott

Switalski  
Thomas  
Whitmer

**Excused—2**

Garcia

Gleason

**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

Senators Switalski 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 Switalski's statement is as follows:

I was up late last evening reading all these Senate Fiscal analyses, and I just thought I might share something with the members on this bill. We are now amending the income tax. The prior bill was the Michigan business tax; now this bill amends the income tax.

If I could read from the Senate Fiscal analysis, it says, "The bill also would allow non-business taxpayers under the individual income tax to claim the credit. The bill does not define what expenses would be eligible for inclusion under the credit, or how a taxpayer should determine whether an expense was incurred to comply with the former Section 3d of the Use Tax Act. As a result, taxpayers that were not charged with collecting the tax, but may have had expenses determining whether their purchases would be subject to tax or how to account for such taxes in the course of their activities, also would be able to claim the credit. The additional revenue loss under the bill from these taxpayers is also unknown and likely significant." It goes on to say that, "For these firms"—it's talking about some business firms now—"because neither bill would prevent a taxpayer from claiming a credit on both returns"—the MBT and the income tax—"taxpayers would be eligible to claim a credit twice for the same expenses if both bills were enacted."

Well, you know, I have to comment on the remarks earlier by my very good friend, the Senator from Novi, whom I have great affection for and have publicly declared that affection on many occasions, but she has certainly provided us with a new definition of minimal because it is now \$900 million as minimal. I just want to say that, Mr. President, I myself incurred some expenses getting ready for the sales tax, and my expenses were well below the minimal amount of \$900 million. In fact, my expenses were minuscule, and even if I can claim them twice and double them, they will still be a very small amount.

So it's with some misgivings that I actually rise up in opposition to this bill because I could financially benefit from its passage. But I do have to say that it again is estimated at \$100 million on this bill, and it would not be fiscally responsible after what we've been through in the past year to pass this bill. I urge all members to vote against it.

Senator Kahn's statement is as follows:

I do appreciate the comments from my very good friend, the good Senator Switalski, who I admire greatly, but part of friendship is not always agreeing and we do not always agree. This happens to be one of the cases. Let me point out that one of the fundamental parts of this bill is about the notion of fairness. People who have gone to the trouble to prepare for this ill-conceived tax deserve consideration. The consideration that we have to offer them is the refundability of the expenses that they occurred in doing so.

Senator Cassis' bill addresses the bulk of these, but what about small businesses—the smallest businesses? People who shine shoes, repair shoes, have expenses associated with that. This gives them a way to address their expenses through the Michigan income tax. They have no other way, and I urge the passage of this bill.

By unanimous consent the Senate proceeded to the order of

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

Senators Stamas and Allen introduced

#### **Senate Bill No. 1019, entitled**

A bill to amend 1974 PA 198, entitled “An act to provide for the establishment of plant rehabilitation districts and industrial development districts in local governmental units; to provide for the exemption from certain taxes; to levy and collect a specific tax upon the owners of certain facilities; to impose and provide for the disposition of an administrative fee; to provide for the disposition of the tax; to provide for the obtaining and transferring of an exemption certificate and to prescribe the contents of those certificates; to prescribe the powers and duties of the state tax commission and certain officers of local governmental units; and to provide penalties,” by amending sections 2, 4, 7, 9, 10, 11, 14, 15, 16, and 16a (MCL 207.552, 207.554, 207.557, 207.559, 207.560, 207.561, 207.564, 207.565, 207.566, and 207.566a), sections 2, 9, and 14 as amended by 2007 PA 146, section 4 as amended by 2004 PA 437, section 7 as amended by 2006 PA 483, section 10 as amended by 1996 PA 1, section 11 as amended by 2004 PA 323, section 15 as amended by 1996 PA 513, section 16 as amended by 1982 PA 417, and section 16a as added by 1996 PA 94.

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

#### **House Bill No. 4560, entitled**

A bill to amend 1984 PA 431, entitled “The management and budget act,” by amending section 263 (MCL 18.1263), as amended by 2004 PA 589.

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 Commerce and Tourism.

#### **House Bill No. 5351, entitled**

A bill to amend 1949 PA 300, entitled “Michigan vehicle code,” (MCL 257.1 to 257.923) by adding section 611a.

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 Scott, Barcia and Cropsey asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Scott's statement is as follows:

There's an old blues song that says, “Sun is gonna shine on my back door some day.” I think about that song every time I get down about the resistance, the stubbornness, and the closed-mindedness that some are demonstrating regarding my insurance bills.

I've been through some dark days in backing my bills. I've faced apathy and I've faced accusations, but in my lifetime, I've faced those things before. Sure as the sun will set tonight and will rise again tomorrow, I know that the sun is gonna shine on my back door some day, and when it does, thousands of Michigan drivers and homeowners will be able to purchase insurance at a fair and equitable rate. So I'll patiently and politely ask you once again to move those bills.

Senator Barcia's statement is as follows:

I rise today to commend and thank Senator Cropsey for his leadership in establishing the Victim's Rights Caucus, which was announced yesterday here on the floor. I hope many of my colleagues from both sides of the aisle will consider the invitation to join this new organization.

While I was in Congress, victim's rights was an issue I worked on for many years. In fact, it is an issue that I felt was and is so important that I sponsored the victims' rights constitutional amendment. Too often victims of crimes are forgotten in the criminal justice system. Instead of being the focus of a case, they are on the outside looking in and they feel very helpless.

The Legislature and Congress must always be careful to consider the victims and their families when making public policy. That is why I am delighted and honored to co-chair this important bipartisan caucus.

Again, I want to thank Senator Cropsey for his work in forming this caucus, and I urge all of my colleagues to consider joining us in educating each other about the needs and rights of victims of crime.

Senator Cropsey's statement is as follows:

I just wanted to thank Senator Barcia for his kind words and I look forward to working with him in the Crime Victim's Rights Caucus. Another entity dealing with the whole area of criminal justice and corrections is the Council of State Governments, or CSG, one of the national organizations that works with legislatures and state governments to share best practices, research, ideas, model legislation, and so forth. Just this last year, Senator Patty Birkholz organized their annual meeting in Traverse City—that was a great job and she did very well in doing that—and I know that many of you attended that meeting. A few years ago, Senator Bishop, the Majority Leader, appointed me to their national governing board, and my office has communicated with them on a number of issues.

The Justice Center is one of the divisions of the Council of State Governments. One of their initiatives is called the Justice Reinvestment Initiative, where the overall goal is to reduce criminal victimization by taking funding that would otherwise go to prison building and operations, and instead using that funding to provide appropriate programming, intervention services, and support services to help offenders stop re-offending, or even stop people from developing into offenders in the first place. The most basic right that a crime victim has is not to be a victim in the first place.

The Council of State Governments brings in national experts to identify geographical locations that send disproportionate numbers of people to prisons. They then identify all state and local resources being expended, such as school services, welfare payments, Medicaid, food stamps, mental health programming, chronic illness, employment help, etc. They then suggest ways to more effectively and efficiently utilize those resources to stop crime in the first place by working to rehabilitate or intervene with offenders. They've done this in at least eight states so far, with some impressive results.

The good news is I've been working with Representative Alma Wheeler Smith, my Department of Corrections budget counterpart, to invite the Council of State Governments into Michigan to help us get a handle on coordinating programming and controlling costs. She informs me that the House leadership is onboard, as is Senator Bishop. The Department of Corrections, who actually initiated the contact with the Council of State Governments, should be onboard as well. As a consequence, I am hoping that the Council of State Governments Justice Center will come to Michigan this year and help us start the process of controlling prison costs first by stopping crime, then by prioritizing state and local funding and services at the local level, and reducing the victimization that led us to build prisons in the first place.

I look forward to a working with our counterparts here in the Senate and in the House and with the administration on collaborative efforts to reduce criminal victimization and on prioritizing resources to reduce crime, thereby making a difference in people's lives.

### Scheduled Meetings

#### Appropriations -

##### Subcommittees -

**Environmental Quality Department** - Tuesday, February 5, 3:00 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-2768)

**Higher Education and Community Colleges, and House Higher Education and Community Colleges Appropriations Subcommittees** - Wednesdays, January 23 and January 30, 3:00 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-2768)

**Retirement** - Tuesday, January 29, 12:00 noon, Room 110, Farnum Building (373-2768)

**Appropriations, Senate/House** - Thursday, February 7, 11:00 a.m., House Appropriations Room, 3rd Floor, Capitol Building (373-6960)

**Economic Development and Regulatory Reform** - Wednesday, January 23, 1:00 p.m., Rooms 402 and 403, Capitol Building (373-7670)

**Health Policy** - Wednesday, January 23, 3:00 p.m., Senate Hearing Room, Ground Floor, Boji Tower (373-0793)

**Homeland Security and Emerging Technologies** - Tuesday, January 29, 1:00 p.m., Room 100, Farnum Building (373-5932)

**State Drug Treatment Court Advisory Committee** - Tuesday, January 22, 9:30 a.m., Legislative Council Conference Room, 3rd Floor, Boji Tower (373-0212)

Senator Cropsey moved that the Senate adjourn.  
The motion prevailed, the time being 11:15 a.m.

The President, Lieutenant Governor Cherry, declared the Senate adjourned until Tuesday, January 22, 2008, at 10:00 a.m.

CAROL MOREY VIVENTI  
Secretary of the Senate