

**No. 55**  
**STATE OF MICHIGAN**  
**JOURNAL**  
**OF THE**  
**House of Representatives**  
**90th Legislature**  
**REGULAR SESSION OF 1999**

---

---

House Chamber, Lansing, Thursday, June 10, 1999.

10:00 a.m.

The House was called to order by Associate Speaker Pro Tempore Scranton.

The roll was called by the Clerk of the House of Representatives, who announced that a quorum was present.

Allen—present	Frank—present	Kuipers—present	Rison—present
Baird—present	Garcia—present	Kukuk—present	Rivet—present
Basham—present	Garza—excused	LaForge—present	Rocca—present
Birkholz—present	Geiger—present	LaSata—present	Sanborn—present
Bisbee—present	Gieleghem—present	Law—present	Schauer—present
Bishop—present	Gilbert—present	Lemmons—present	Schermesser—present
Bogardus—present	Godchaux—present	Lockwood—present	Scott—present
Bovin—present	Gosselin—present	Mans—present	Scranton—present
Bradstreet—present	Green—present	Martinez—present	Shackleton—present
Brater—present	Hager—present	Mead—present	Sheltrown—present
Brewer—present	Hale—present	Middaugh—present	Shulman—present
Brown, Bob—present	Hanley—present	Minore—present	Spade—present
Brown, Cameron—present	Hansen—present	Mortimer—present	Stallworth—present
Byl—present	Hardman—present	Neumann—present	Stamas—present
Callahan—present	Hart—present	O’Neil—present	Switalski—present
Cassis—present	Howell—present	Pappageorge—present	Tabor—present
Caul—present	Jacobs—present	Patterson—present	Tesanovich—present
Cherry—present	Jamnick—present	Perricone—present	Thomas—present
Clark—present	Jansen—present	Pestka—present	Toy—present
Clarke—present	Jelinek—present	Price—present	Vander Roest—present
Daniels—present	Jellema—present	Prusi—present	Van Woerkom—present
DeHart—present	Johnson, Rick—present	Pumford—present	Vaughn—present
Dennis—present	Johnson, Ruth—excused	Quarles—present	Year—present
DeRossett—present	Julian—present	Raczkowski—present	Voorhees—present
DeVuyst—present	Kelly—present	Reeves—excused	Wojno—present
DeWeese—present	Kilpatrick—present	Richardville—present	Woodward—present
Ehardt—present	Koetje—present	Richner—present	Woronchak—present
Faunce—present	Kowall—present		

e/d/s = entered during session

Penny Hacckett-Evans, Unitarian Universalist Minister from Rochester Hills, offered the following invocation:

“Spirit of life and love, God of all people, known by a thousand names and called by no name at all. We invoke a blessing on all who are gathered here. All of us come into this Chamber with the same hope—we want a safer, more sane, and more just world to live in. We are all grandiose and also all too human. Each of us doing our best amidst the rubble of our own life. We with all of our feelings are trying here to hold and mold a vision of a more perfect society. To this day may we bring our best dreams, our clearest vision, our strongest passion. May we help create the world that we so badly want for ourselves. May we remember why we are here, where we come from, and that we are not alone. Amen.”

---

Rep. DeWeese moved that Rep. Ruth Johnson be excused from today’s session.  
The motion prevailed.

### Notices

Rep. Shulman moved that the Committee on Education be discharged from further consideration of **Senate Bill No. 206**.

(For first notice see House Journal No. 54, p. 1437.)

The question being on the motion made by Rep. Shulman,

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

Rep. Shulman moved that the Committee on Education be discharged from further consideration of **Senate Bill No. 183**.

(For first notice see House Journal No. 54, p. 1436.)

The question being on the motion made by Rep. Shulman,

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

Rep. Schermesser moved that the Committee on Energy and Technology be discharged from further consideration of **House Resolution No. 67**.

(For first notice see House Journal No. 54, p. 1425.)

The question being on the motion made by Rep. Schermesser,

The motion did not prevail, a majority of the members serving not voting therefor.

---

Rep. Byl moved that House Committees be given leave to meet during the balance of today’s session.  
The motion prevailed.

Associate Speaker Pro Tempore Patterson assumed the Chair.

### Quorum Call

Rep. Raczkowski questioned the presence of a quorum and moved that the roll be called and printed in the Journal.  
The motion prevailed.

The roll was called and the Clerk announced that a quorum was present.

The following is the roll call:

#### Roll Call No. 714

Yeas—102

Allen  
Baird

Ehardt  
Faunce

Kuipers  
Kukuk

Rivet  
Rocca

Basham	Frank	LaForge	Sanborn
Birkholz	Garcia	LaSata	Schauer
Bisbee	Geiger	Law	Schermesser
Bishop	Gielegem	Lemmons	Scott
Bogardus	Gilbert	Lockwood	Scranton
Bovin	Godchaux	Mans	Shackleton
Bradstreet	Gosselin	Martinez	Sheltrown
Brater	Hager	Mead	Shulman
Brewer	Hale	Middaugh	Spade
Brown, B.	Hanley	Minore	Stallworth
Brown, C.	Hansen	Mortimer	Stamas
Byl	Hardman	Neumann	Switalski
Callahan	Hart	O'Neil	Tesanovich
Cassis	Howell	Pappageorge	Thomas
Caul	Jacobs	Patterson	Toy
Cherry	Jamnick	Pestka	Van Woerkom
Clark, I.	Jansen	Price	Vander Roest
Clarke, H.	Jelinek	Prusi	Vaughn
Daniels	Jellema	Pumford	Vear
DeHart	Johnson, Rick	Quarles	Voorhees
Dennis	Julian	Richardville	Wojno
DeRossett	Kelly	Richner	Woodward
DeVuyst	Koetje	Rison	Woronchak
DeWeese	Kowall		

In The Chair: Patterson

Rep. Julian moved that Rep. Tabor be excused temporarily from today's session.  
The motion prevailed.

Rep. Raczkowski moved that Reps. Mortimer, Perricone and Geiger be excused temporarily from today's session.  
The motion prevailed.

By unanimous consent the House returned to the order of  
**Messages from the Senate**

The Speaker laid before the House  
**House Bill No. 4489, entitled**

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending the title and sections 57, 59, 60, 61, 73c, 74, 87c, 107, 108, 131, 131c, and 131e (MCL 211.57, 211.59, 211.60, 211.61, 211.73c, 211.74, 211.87c, 211.107, 211.108, 211.131, 211.131c, and 211.131e), the title and section 59 as amended by 1983 PA 254, sections 57, 60, 61, 73c, 74, 108, 131, and 131c as amended by 1993 PA 291, section 87c as amended by 1988 PA 450, section 107 as amended by 1998 PA 378, and section 131e as amended by 1996 PA 476, and by adding sections 60a, 67c, 78, 78a, 78b, 78c, 78d, 78e, 78f, 78g, 78h, 78i, 78j, 78k, 78l, 78m, 78n, 78o, and 78p; and to repeal acts and parts of acts.

(The bill was received from the Senate on June 9, with amendments, full title inserted and immediate effect given by the Senate, consideration of which, under the rules, was postponed until today, see House Journal No. 54, p. 1434.)

The question being on concurring in the adoption of the amendments made to the bill by the Senate,

The amendments were concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 715**

**Yeas—94**

Allen	DeWeese	Kelly	Richardville
Baird	Ehardt	Kilpatrick	Rivet

Basham	Faunce	Koetje	Rocca
Birkholz	Frank	Kowall	Sanborn
Bisbee	Garcia	Kuipers	Schauer
Bishop	Gielegem	Kukuk	Schermesser
Bogardus	Gilbert	LaForge	Scott
Bovin	Godchaux	LaSata	Scranton
Brater	Gosselin	Law	Shackleton
Brewer	Green	Lockwood	Shulman
Brown, B.	Hager	Mans	Spade
Brown, C.	Hale	Martinez	Stallworth
Byl	Hanley	Mead	Stamas
Callahan	Hansen	Middaugh	Switalski
Cassis	Hardman	Minore	Thomas
Caul	Hart	O'Neil	Toy
Cherry	Howell	Pappageorge	Van Woerkom
Clark, I.	Jacobs	Patterson	Vander Roest
Clarke, H.	Jamnick	Pestka	Vaughn
Daniels	Jansen	Price	Voorhees
DeHart	Jelinek	Pumford	Wojno
Dennis	Jellema	Quarles	Woodward
DeRossett	Johnson, Rick	Raczkowski	Woronchak
DeVuyst	Julian		

**Nays—7**

Bradstreet	Prusi	Sheltrown	Vear
Neumann	Richner	Tesanovich	

In The Chair: Patterson

The House agreed to the full title of the bill.

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

Rep. Scott moved that Rep. Lemmons be excused temporarily from today's session.

The motion prevailed.

The Speaker laid before the House

**House Bill No. 4509, entitled**

A bill to create an urban homestead program for multifamily public housing; to provide that certain local governmental units and public housing entities create and administer urban homestead programs for multifamily public housing; to prescribe the powers and duties of certain state and local governmental units and public housing entities; and to provide for the disposition of personal and real property.

(The bill was received from the Senate on June 9, with amendment and immediate effect given by the Senate, consideration of which, under the rules, was postponed until today, see House Journal No. 54, p. 1436.)

The question being on concurring in the adoption of the amendment made to the bill by the Senate,

The amendment was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 716****Yeas—89**

Allen	DeVuyst	Kilpatrick	Richner
Baird	DeWeese	Koetje	Rison

Basham	Ehardt	Kowall	Rivet
Birkholz	Faunce	Kuipers	Rocca
Bisbee	Frank	Kukuk	Sanborn
Bishop	Garcia	LaSata	Schauer
Bogardus	Gielegem	Law	Schermesser
Bovin	Gilbert	Lockwood	Scranton
Bradstreet	Godchaux	Mans	Shackleton
Brewer	Gosselin	Mead	Shulman
Brown, B.	Green	Middaugh	Spade
Brown, C.	Hager	Minore	Stamas
Byl	Hansen	Mortimer	Switalski
Callahan	Hardman	Neumann	Toy
Cassis	Hart	O'Neil	Van Woerkom
Caul	Howell	Pappageorge	Vander Roest
Cherry	Jamnick	Patterson	Vaughn
Clark, I.	Jelinek	Pestka	Vear
Clarke, H.	Jellema	Pumford	Voorhees
Daniels	Johnson, Rick	Quarles	Wojno
DeHart	Julian	Rackowski	Woodward
Dennis	Kelly	Richardville	Woronchak
DeRossett			

#### Nays—13

Brater	LaForge	Prusi	Stallworth
Hale	Martinez	Scott	Tesanovich
Hanley	Price	Sheltrown	Thomas
Jacobs			

In The Chair: Patterson

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

The Speaker laid before the House

#### **Senate Bill No. 343, entitled**

A bill to create an urban homestead program; to permit certain local governmental units or nonprofit community organizations to create and administer urban homestead programs; to prescribe the powers and duties of certain state entities and local governmental units; and to provide for the disposition of personal and real property.

(The bill was received from the Senate on June 9, with amendments to the House substitute (H-3) and immediate effect given by the Senate, consideration of which, under the rules, was postponed until today, see House Journal No. 54, p. 1436.)

The question being on concurring in the adoption of the amendments to the House substitute (H-3) made to the bill by the Senate,

The amendments were concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

#### **Roll Call No. 717**

#### **Yeas—82**

Allen	DeVuyst	Koetje	Richner
Baird	DeWeese	Kowall	Rivet
Basham	Ehardt	Kuipers	Rocca
Birkholz	Faunce	Kukuk	Sanborn
Bisbee	Frank	LaSata	Schauer

Bishop	Garcia	Law	Schermesser
Bovin	Gielegem	Lockwood	Scranton
Bradstreet	Gilbert	Mans	Shackleton
Brewer	Godchaux	Mead	Shulman
Brown, B.	Gosselin	Middaugh	Spade
Brown, C.	Green	Minore	Stamas
Byl	Hager	Mortimer	Switalski
Callahan	Hansen	Neumann	Toy
Cassis	Hardman	O'Neil	Van Woerkom
Caul	Hart	Pappageorge	Vander Roest
Cherry	Howell	Patterson	Vaughn
Clark, I.	Jamnick	Pestka	Vear
Clarke, H.	Jelinek	Pumford	Voorhees
DeHart	Jellema	Rackowski	Wojno
Dennis	Johnson, Rick	Richardville	Woronchak
DeRossett	Julian		

**Nays—17**

Bogardus	Kelly	Prusi	Stallworth
Brater	LaForge	Quarles	Tesanovich
Daniels	Martinez	Scott	Thomas
Hale	Price	Sheltrown	Woodward
Jacobs			

In The Chair: Patterson

Rep. Rackowski moved that Rep. Jansen be excused temporarily from today's session.  
The motion prevailed.

The Speaker laid before the House

**Senate Bill No. 344, entitled**

A bill to create an urban homestead program for single-family public housing; to provide that certain local governmental units, public housing entities, nonprofit community organizations, and certain state entities create and administer urban homestead programs for single-family public housing; to prescribe the powers and duties of certain state and local governmental units, public housing entities, and nonprofit community organizations; and to provide for the disposition of personal and real property.

(The bill was received from the Senate on June 9, with amendment to the House substitute (H-3) and immediate effect given by the Senate, consideration of which, under the rules, was postponed until today, see House Journal No. 54, p. 1436.)

The question being on concurring in the adoption of the amendment to the House substitute (H-3) made to the bill by the Senate,

The amendment was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 718****Yeas—85**

Allen	DeWeese	Koetje	Rivet
Baird	Ehardt	Kowall	Rocca
Basham	Faunce	Kuipers	Sanborn
Birkholz	Frank	Kukuk	Schauer

Bisbee	Garcia	LaSata	Schermesser
Bishop	Gielegem	Law	Scranton
Bovin	Gilbert	Lockwood	Shackleton
Bradstreet	Godchaux	Mans	Shulman
Brewer	Gosselin	Mead	Spade
Brown, B.	Green	Middaugh	Stamas
Brown, C.	Hager	Minore	Switalski
Byl	Hansen	Mortimer	Tabor
Callahan	Hardman	Neumann	Toy
Cassis	Hart	O'Neil	Van Woerkom
Caul	Howell	Pappageorge	Vander Roest
Cherry	Jamnick	Patterson	Vaughn
Clark, I.	Jelinek	Pestka	Vear
Clarke, H.	Jellema	Pumford	Voorhees
DeHart	Johnson, Rick	Rackowski	Wojno
Dennis	Julian	Richardville	Woodward
DeRossett	Kilpatrick	Richner	Woronchak
DeVuyst			

### Nays—18

Bogardus	Jacobs	Prusi	Sheltrown
Brater	Kelly	Quarles	Stallworth
Daniels	LaForge	Rison	Tesanovich
Hale	Martinez	Scott	Thomas
Hanley	Price		

In The Chair: Patterson

### Second Reading of Bills

#### House Bill No. 4010, entitled

A bill to amend 1964 PA 170, entitled "An act to make uniform the liability of municipal corporations, political subdivisions, and the state, its agencies and departments, officers, employees, and volunteers thereof, and members of certain boards, councils, and task forces when engaged in the exercise or discharge of a governmental function, for injuries to property and persons; to define and limit this liability; to define and limit the liability of the state when engaged in a proprietary function; to authorize the purchase of liability insurance to protect against loss arising out of this liability; to provide for defending certain claims made against public officers and paying damages sought or awarded against them; to provide for the legal defense of public officers and employees; to provide for reimbursement of public officers and employees for certain legal expenses; and to repeal certain acts and parts of acts," by amending section 2 (MCL 691.1402), as amended by 1996 PA 150.

Was read a second time, and the question being on the adoption of the proposed substitute (H-2)\* previously recommended by the Committee on Family and Children Services,

The substitute (H-2)\* was adopted, a majority of the members serving voting therefor.

Rep. Shulman moved that the bill be placed on the order of Third Reading of Bills.

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

Rep. Middaugh moved that the bill be placed on its immediate passage.

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

By unanimous consent the House returned to the order of

### Third Reading of Bills

#### House Bill No. 4010, entitled

A bill to amend 1964 PA 170, entitled "An act to make uniform the liability of municipal corporations, political subdivisions, and the state, its agencies and departments, officers, employees, and volunteers thereof, and members of

certain boards, councils, and task forces when engaged in the exercise or discharge of a governmental function, for injuries to property and persons; to define and limit this liability; to define and limit the liability of the state when engaged in a proprietary function; to authorize the purchase of liability insurance to protect against loss arising out of this liability; to provide for defending certain claims made against public officers and paying damages sought or awarded against them; to provide for the legal defense of public officers and employees; to provide for reimbursement of public officers and employees for certain legal expenses; and to repeal certain acts and parts of acts," by amending section 2 (MCL 691.1402), as amended by 1996 PA 150.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 719****Yeas—99**

Allen	DeWeese	Kowall	Rivet
Baird	Ehardt	Kuipers	Rocca
Basham	Faunce	Kukuk	Sanborn
Birkholz	Frank	LaForge	Schauer
Bisbee	Garcia	LaSata	Scott
Bishop	Geiger	Law	Scranton
Bogardus	Gielegem	Lockwood	Shackleton
Bovin	Gilbert	Mans	Sheltrown
Bradstreet	Godchaux	Martinez	Shulman
Brater	Gosselin	Mead	Spade
Brewer	Green	Middaugh	Stamas
Brown, B.	Hager	Minore	Switalski
Brown, C.	Hale	Mortimer	Tabor
Byl	Hanley	Neumann	Tesanovich
Callahan	Hansen	O'Neil	Thomas
Cassis	Hart	Pappageorge	Toy
Caul	Howell	Patterson	Van Woerkom
Cherry	Jacobs	Pestka	Vander Roest
Clark, I.	Jelinek	Price	Vaughn
Clarke, H.	Jellema	Prusi	Vear
Daniels	Johnson, Rick	Pumford	Voorhees
DeHart	Julian	Quarles	Wojno
Dennis	Kelly	Richardville	Woodward
DeRossett	Kilpatrick	Richner	Woronchak
DeVuyst	Koetje	Rison	

**Nays—2**

Schermesser

Stallworth

In The Chair: Patterson

The question being on agreeing to the title of the bill,

Rep. Raczkowski moved to amend the title to read as follows:

A bill to amend 1964 PA 170, entitled "An act to make uniform the liability of municipal corporations, political subdivisions, and the state, its agencies and departments, officers, employees, and volunteers thereof, and members of certain boards, councils, and task forces when engaged in the exercise or discharge of a governmental function, for injuries to property and persons; to define and limit this liability; to define and limit the liability of the state when engaged in a proprietary function; to authorize the purchase of liability insurance to protect against loss arising out of this liability; to provide for defending certain claims made against public officers and paying damages sought or awarded against them; to provide for the legal defense of public officers and employees; to provide for reimbursement of public officers and employees for certain legal expenses; and to repeal certain acts and parts of acts," by amending sections 1 and 2 (MCL 691.1401 and 691.1402), section 1 as amended by 1986 PA 175 and section 2 as amended by 1996 PA 150, and by adding section 2a.



The motion prevailed.  
The House agreed to the title as amended.

Rep. Birkholz moved that Rep. Raczkowski be excused temporarily from today's session.  
The motion prevailed.

By unanimous consent the House returned to the order of  
**Messages from the Senate**

**Senate Bill No. 489, entitled**

A bill to amend 1893 PA 206, entitled "The general property tax act," (MCL 211.1 to 211.157) by adding sections 79, 79a, and 79b.

The Senate has substituted (S-3) the House substitute (H-3).

The Senate has concurred in the House substitute (H-3) as substituted (S-3), ordered that it be given immediate effect and amended the title to read as follows:

A bill to amend 1893 PA 206, entitled "The general property tax act," (MCL 211.1 to 211.157) by adding sections 79 and 79a.

The Speaker announced that pursuant to Rule 45, the bill was laid over one day.

Rep. Middaugh moved that Rule 45 be suspended.

The motion prevailed, 3/5 of the members present voting therefor.

The question being on concurring in the adoption of the substitute (S-3) to the House substitute (H-3) made to the bill by the Senate,

The substitute (S-3) was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 720**

**Yeas—94**

Allen	Ehardt	Kelly	Rivet
Baird	Faunce	Koetje	Rocca
Basham	Frank	Kowall	Sanborn
Birkholz	Garcia	Kuipers	Schauer
Bisbee	Geiger	Kukuk	Schermesser
Bishop	Gielegem	LaForge	Scranton
Bogardus	Gilbert	LaSata	Shackleton
Bovin	Godchaux	Law	Shulman
Bradstreet	Gosselin	Lockwood	Spade
Brewer	Green	Mans	Stallworth
Brown, B.	Hager	Mead	Stamas
Brown, C.	Hale	Middaugh	Switalski
Callahan	Hanley	Minore	Tabor
Cassis	Hansen	Mortimer	Tesanovich
Caul	Hardman	Neumann	Toy
Cherry	Hart	O'Neil	Van Woerkom
Clark, I.	Howell	Pappageorge	Vander Roest
Clarke, H.	Jacobs	Patterson	Vaughn
Daniels	Jamnick	Pestka	Vear
DeHart	Jansen	Pumford	Voorhees
Dennis	Jelinek	Quarles	Wojno
DeRossett	Jellema	Richardville	Woodward
DeVuyst	Johnson, Rick	Richner	Woronchak
DeWeese	Julian		

**Nays—7**

Brater	Price	Scott	Thomas
Martinez	Prusi	Sheltrown	

In The Chair: Patterson

The House agreed to the title as amended and pursuant to Joint Rule 20, the full title of the act shall read as follows:  
 “An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes on property, and for the collection of taxes levied; making those taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale or forfeiture and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection with property delinquent for taxes; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal acts and parts of acts.”.

The House agreed to the full title.

The Speaker laid before the House

**House Bill No. 4082, entitled**

A bill to amend 1980 PA 300, entitled “The public school employees retirement act of 1979,” by amending section 61 (MCL 38.1361), as amended by 1989 PA 194.

(The bill was received from the Senate on June 9, with substitute (S-2), full title inserted and immediate effect given by the Senate, consideration of which, under the rules, was postponed until today, see House Journal No. 54, p. 1433.)

The question being on concurring in the adoption of the substitute (S-2) made to the bill by the Senate,

The substitute (S-2) was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 721****Yeas—101**

Allen	Ehardt	Koetje	Rocca
Baird	Faunce	Kowall	Sanborn
Basham	Frank	Kuipers	Schauer
Birkholz	Garcia	Kukuk	Schermesser
Bisbee	Geiger	LaForge	Scott
Bishop	Gielegem	LaSata	Scranton
Bogardus	Gilbert	Law	Shackleton
Bovin	Godchaux	Lockwood	Sheltrown
Bradstreet	Gosselin	Mans	Shulman
Brater	Green	Mead	Spade
Brewer	Hager	Middaugh	Stallworth
Brown, B.	Hale	Minore	Stamas
Brown, C.	Hanley	Mortimer	Switalski
Byl	Hansen	Neumann	Tabor
Callahan	Hardman	O’Neil	Tesanovich
Cassis	Hart	Pappageorge	Thomas
Caul	Howell	Patterson	Toy
Cherry	Jacobs	Pestka	Van Woerkom
Clark, I.	Jamnick	Price	Vander Roest
Clarke, H.	Jansen	Prusi	Vaughn
Daniels	Jelinek	Pumford	Vear
DeHart	Jellema	Richardville	Voorhees
Dennis	Johnson, Rick	Richner	Wojno
DeRossett	Julian	Rison	Woodward
DeVuyst	Kelly	Rivet	Woronchak
DeWeese			

**Nays—0**

In The Chair: Patterson

The House agreed to the full title of the bill.

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

Rep. Rison moved that Rep. Quarles be excused from the balance of today's session.  
The motion prevailed.

By unanimous consent the House returned to the order of  
**Reports of Select Committees**

The Speaker laid before the House the conference report relative to  
**House Bill No. 4301, entitled**

A bill to make appropriations for the department of education and certain other purposes relating to education for the fiscal year ending September 30, 2000; to provide for the expenditure of the appropriations; to prescribe the powers and duties of certain state departments, school districts, and other governmental bodies; and to provide for the disposition of fees and other income received by certain legal entities and state agencies.

(The conference report was reported by the conference committee on June 9, consideration of which, under the rules, was postponed until today.)

(For conference report, see House Journal No. 54, p. 1426.)

The question being on the adoption of the conference report,

The conference report was adopted, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 722****Yeas—100**

Allen	Ehardt	Koetje	Rocca
Baird	Faunce	Kowall	Sanborn
Basham	Frank	Kuipers	Schauer
Birkholz	Garcia	Kukuk	Schermesser
Bisbee	Geiger	LaForge	Scott
Bishop	Gielegthem	LaSata	Scranton
Bogardus	Gilbert	Law	Shackleton
Bovin	Godchaux	Lockwood	Sheltrown
Brater	Green	Mans	Shulman
Brewer	Hager	Martinez	Spade
Brown, B.	Hale	Mead	Stallworth
Brown, C.	Hanley	Middaugh	Stamas
Byl	Hansen	Minore	Switalski
Callahan	Hardman	Mortimer	Tabor
Cassis	Hart	Neumann	Tesanovich
Caul	Howell	O'Neil	Thomas
Cherry	Jacobs	Pappageorge	Toy
Clark, I.	Jamnick	Patterson	Van Woerkom
Clarke, H.	Jansen	Pestka	Vander Roest
Daniels	Jelinek	Price	Vaughn
DeHart	Jellema	Prusi	Vear
Dennis	Johnson, Rick	Pumford	Voorhees
DeRossett	Julian	Richardville	Wojno

DeVuyst  
DeWeese

Kelly  
Kilpatrick

Richner  
Rison

Woodward  
Woronchak

### Nays—2

Bradstreet

Gosselin

In The Chair: Patterson

Rep. Middaugh moved that the bill be given immediate effect.  
The motion prevailed, 2/3 of the members serving voting therefor.

Rep. Gosselin, having reserved the right to explain his protest against the passage of the bill, made the following statement:

“Mr. Speaker and members of the House:

Two studies were released last month by the Washington-based Cato Institute. The one showing that increased speed limits do not cause increased fatalities has received a lot of press. But the second study has more important implications for what we’re doing here today.

Cato compared the ‘revenue windfalls’ which have come to the 50 states since 1992 due to economic growth. Michigan’s total tax revenue was \$11.2 billion in 1992, and \$21.2 billion in 1998. If revenue had increased at the same rate as inflation and population growth, the 1998 figure would have been \$13.5 billion, instead of \$21.2 billion. In other words we took in \$7.7 billion additional total tax revenue due to economic growth. This amounts to \$787 more taxes from every man, woman, and child in the state.

‘We’re Number One’ is a popular chant at sporting events. Sadly, it also describes Michigan’s rank among states taking more in taxes from citizens. Compared to our \$787 per capita additional take due to economic growth, the national average is \$278.

These numbers do not include the \$600 million overcharge (a.k.a. ‘Surplus’) this year and projected \$500 million overcharge next year. A good sized chunk of next year’s overcharge is being appropriated in these budget conference reports. This bipartisan willingness to spend the extra tax revenue rather than return it to those who earned it is why we’re number one in increased tax take.

What does all this mean? It means government is growing in Michigan. That we’re not cutting taxes fast enough, and instead spending the extra money.

This is wrong. I was not sent to Lansing by the citizens of the 42nd district to grow government, but that’s what this budget does. We should give the money back.”

### First Conference Report

The Committee of Conference on the matters of difference between the two Houses concerning  
**House Bill No. 4299, entitled**

A bill to make appropriations for the department of community health and certain state purposes related to mental health, public health, and medical services for the fiscal year ending September 30, 2000; to provide for the expenditure of such appropriations; to create funds; to provide for reports; to prescribe the powers and duties of certain local and state agencies and departments; and to provide for disposition of fees and other income received by the various state agencies.

Recommends:

First: That the House and Senate agree to the substitute of the Senate as passed by the Senate, amended to read as follows:

A bill to make appropriations for the department of community health and certain state purposes related to mental health, public health, and medical services for the fiscal years ending September 30, 1999, September 30, 2000, and September 30, 2001; to provide for the expenditure of those appropriations; to create funds; to require and provide for

reports; to prescribe the powers and duties of certain local and state agencies and departments; to provide for disposition of fees and other income received by the various state agencies; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS - FISCAL YEAR 1999-2000

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of community health for the fiscal year ending September 30, 2000, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**DEPARTMENT OF COMMUNITY HEALTH**

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	6,130.3	
Average population .....	1,428.0	
<b>GROSS APPROPRIATION</b> .....		\$ 8,152,705,200
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		\$ 69,609,900
<b>ADJUSTED GROSS APPROPRIATION</b> .....		\$ 8,083,095,300
Federal revenues:		
Total federal revenues .....		4,188,318,300
Special revenue funds:		
Total local revenues .....		814,567,500
Total private revenues .....		61,442,000
Total local and private revenues.....		876,009,500
Total other state restricted revenues .....		382,622,500
State general fund/general purpose .....		\$ 2,636,145,000

**Sec. 102. DEPARTMENTWIDE ADMINISTRATION**

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	489.7	
Director and other unclassified—6.0 FTE positions.....		\$ 556,400
Community health advisory council.....		28,900
Departmental administration and management—466.7 FTE positions.....		49,256,100
Certificate of need program administration—13.0 FTE positions.....		880,700
Workers' compensation program—1.0 FTE positions .....		11,987,200
Rent .....		3,487,200
Building occupancy charges.....		4,184,000
Developmental disabilities council and projects—9.0 FTE positions .....		2,280,200
<b>GROSS APPROPRIATION</b> .....		\$ 72,660,700

Appropriated from:

Interdepartmental grant revenues:		
Interdepartmental grant from the department of treasury, Michigan state hospital finance authority .....		95,500
Federal revenues:		
Total federal revenues .....		19,849,700
Special revenue funds:		
Private funds.....		27,900
Total other state restricted revenues .....		3,481,000
State general fund/general purpose .....		\$ 49,206,600

**Sec. 103. MENTAL HEALTH/SUBSTANCE ABUSE SERVICES**

**ADMINISTRATION AND SPECIAL PROJECTS**

Full-time equated classified positions .....	123.2	
Mental health/substance abuse program administration—114.2 FTE positions .....		\$ 9,876,900
Consumer involvement program .....		291,600
Gambling addiction.....		3,000,000
Protection and advocacy services support .....		818,300
Mental health initiatives for older persons .....		1,165,800
Purchase of psychiatric residency training .....		3,635,100
Community residential and support services—9.0 FTE positions.....		5,588,400
Highway safety projects.....		2,337,200
Federal and other special projects .....		7,427,200
<b>GROSS APPROPRIATION</b> .....		\$ 34,140,500

For Fiscal Year  
Ending Sept. 30,  
2000

Appropriated from:	
Federal revenues:	
Total federal revenues .....	11,433,100
Special revenue funds:	
Total private revenues .....	125,000
Total other state restricted revenues .....	3,182,300
State general fund/general purpose .....	\$ 19,400,100

**Sec. 104. COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS**

Full-time equated classified positions .....	4.0
Community mental health Medicaid managed care .....	\$ 1,206,321,800
Community mental health non-Medicaid services .....	313,196,200
Multicultural services.....	3,560,000
Medicaid substance abuse services.....	21,400,000
Respite services .....	3,318,600
CMHSP, purchase of state services contracts .....	155,560,700
Civil service charges .....	2,606,400
Federal mental health block grant—2.0 FTE positions.....	10,849,900
Pilot projects in prevention for adults and children—2.0 FTE positions .....	1,519,300
State disability assistance program substance abuse services .....	6,600,000
Community substance abuse prevention, education and treatment programs.....	83,740,400
GROSS APPROPRIATION.....	\$ 1,808,673,300

Appropriated from:	
Federal revenues:	
Total federal revenues .....	750,054,300
Special revenue funds:	
Total other state restricted revenues .....	6,342,400
State general fund/general purpose .....	\$ 1,052,276,600

**Sec. 105. STATE PSYCHIATRIC HOSPITALS, CENTERS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES, AND FORENSIC AND PRISON MENTAL HEALTH SERVICES**

Total average population .....	1,428.0
Full-time equated classified positions .....	4,580.0
Caro regional mental health center-psychiatric hospital-adult—492.0 FTE positions.....	\$ 28,508,800
Average population .....	180.0
Kalamazoo psychiatric hospital-adult—383.0 FTE positions .....	27,591,300
Average population .....	130.0
Northville psychiatric hospital-adult—780.0 FTE positions .....	58,326,800
Average population .....	325.0
Walter P. Reuther psychiatric hospital-adult—436.0 FTE positions .....	32,737,200
Average population .....	210.0
Hawthorn center-psychiatric hospital-children and adolescents—329.0 FTE positions .....	21,787,700
Average population .....	118.0
Mount Pleasant center-developmental disabilities—481.0 FTE positions.....	30,206,300
Average population .....	195.0
Southgate center-developmental disabilities—206.0 FTE positions .....	16,242,100
Average population .....	60.0
Center for forensic psychiatry—522.0 FTE positions.....	37,197,100
Average population .....	210.0
Forensic mental health services provided to the department of corrections— 938.0 FTE positions .....	68,912,400
Revenue recapture.....	750,000
IDEA, federal special education.....	92,000
Special maintenance and equipment.....	1,054,000
Purchase of medical services for residents of hospitals and centers .....	1,700,000
Closed site, transition, and related costs—13.0 FTE positions .....	455,500
Severance pay .....	896,000

	For Fiscal Year Ending Sept. 30, 2000
Gifts and bequests for patient living and treatment environment .....	2,000,000
GROSS APPROPRIATION.....	\$ 328,457,200
Appropriated from:	
Interdepartmental grant revenues:	
Interdepartmental grant from the department of corrections.....	68,912,400
Federal revenues:	
Total federal revenues .....	31,062,500
Special revenue funds:	
CMHSP, purchase of state services contracts .....	155,560,700
Other local revenues .....	15,819,900
Private funds.....	2,000,000
Total other state restricted revenues .....	15,987,800
State general fund/general purpose .....	\$ 39,113,900
<b>Sec. 106. PUBLIC HEALTH ADMINISTRATION</b>	
Full-time equated classified positions .....	88.3
Executive administration—15.5 FTE positions .....	\$ 1,320,200
Minority health grants and contracts .....	750,000
Vital records and health statistics—72.8 FTE positions .....	5,775,600
GROSS APPROPRIATION.....	\$ 7,845,800
Appropriated from:	
Interdepartmental grant revenues:	
Interdepartmental grant from family independence agency .....	135,600
Federal revenues:	
Total federal revenue .....	2,763,100
Special revenue funds:	
Total other state restricted revenues .....	1,867,700
State general fund/general purpose .....	\$ 3,079,400
<b>Sec. 107. INFECTIOUS DISEASE CONTROL</b>	
Full-time equated classified positions .....	44.3
AIDS prevention, testing and care programs—9.8 FTE positions .....	\$ 20,292,300
Hepatitis A immunization program in Calhoun County.....	100,000
Immunization local agreements.....	11,322,500
Immunization program management and field support—7.7 FTE positions .....	1,873,100
Sexually transmitted disease control local agreements .....	2,355,700
Sexually transmitted disease control management and field support—26.8 FTE positions.....	2,747,400
GROSS APPROPRIATION.....	\$ 38,691,000
Appropriated from:	
Federal revenues:	
Total federal revenues .....	27,076,900
Special revenue funds:	
Local funds .....	242,700
Private funds.....	710,000
Total other state restricted revenues .....	7,023,500
State general fund/general purpose .....	\$ 3,637,900
<b>Sec. 108. LABORATORY SERVICES</b>	
Full-time equated classified positions .....	118.2
Laboratory services—118.2 FTE positions.....	\$ 11,018,500
Lyme disease.....	75,000
GROSS APPROPRIATION.....	\$ 11,093,500
Appropriated from:	
Interdepartmental grant revenues:	
Interdepartmental grant from environmental quality .....	385,800
Federal revenues:	
Total federal revenues .....	1,172,900
Special revenue funds:	
Total other state restricted revenues .....	3,167,800
State general fund/general purpose .....	\$ 6,367,000

For Fiscal Year  
Ending Sept. 30,  
2000

**Sec. 109. EPIDEMIOLOGY**

Full-time equated classified positions .....	31.5	
AIDS surveillance and prevention program—7.0 FTE positions .....		\$ 1,772,800
Epidemiology administration—24.5 FTE positions .....		4,304,200
Tuberculosis control and recalcitrant AIDS program .....		498,300
<b>GROSS APPROPRIATION</b> .....		\$ <u>6,575,300</u>

Appropriated from:

Interdepartmental grant revenues:

Interdepartmental grant from the department of environmental quality .....		80,600
--	--	--------

Federal revenues:

Total federal revenues .....		4,311,100
------------------------------	--	-----------

Special revenue funds:

Total other state restricted revenues .....		231,000
---	--	---------

State general fund/general purpose .....	\$	1,952,600
--	----	-----------

**Sec. 110. LOCAL HEALTH ADMINISTRATION AND GRANTS**

Full-time equated classified positions .....	3.0	
Implementation of 1993 PA 133, MCL 333.17015 .....		\$ 100,000
Lead abatement program—3.0 FTE positions .....		1,818,200
Local health services.....		462,300
Local public health operations .....		39,874,000
Medical services cost reimbursement to local health departments.....		1,800,000
Special populations health care .....		\$ 620,600
<b>GROSS APPROPRIATION</b> .....		\$ <u>44,675,100</u>

Appropriated from:

Federal revenues:

Total federal revenues .....		3,773,700
------------------------------	--	-----------

Special revenue funds:

Total other state restricted revenues .....		243,500
---	--	---------

State general fund/general purpose .....	\$	40,657,900
--	----	------------

**Sec. 111. CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION**

Full-time equated classified positions .....	33.7	
AIDS and risk reduction clearinghouse and media campaign.....		\$ 1,576,000
Alzheimer's information network.....		440,000
Cancer prevention and control program—13.6 FTE positions.....		12,235,600
Chronic disease prevention .....		1,417,400
Diabetes program—9.0 FTE positions .....		4,116,900
Early childhood collaborative secondary prevention .....		1,300,000
Employee wellness program grants (includes \$50.00 per diem and expenses for the risk reduction and AIDS policy commission) .....		4,250,000
Health education, promotion, and research programs—2.9 FTE positions .....		1,598,700
Injury control intervention project .....		441,000
Physical fitness, nutrition, and health .....		1,250,000
Public health traffic safety coordination.....		115,000
School health and education programs .....		2,182,800
Smoking prevention program—6.2 FTE positions.....		8,014,200
Violence prevention—2.0 FTE positions.....		3,894,600
<b>GROSS APPROPRIATION</b> .....		\$ <u>42,832,200</u>

Appropriated from:

Federal revenues:

Total federal funds .....		11,967,400
---------------------------	--	------------

Special revenue funds:

Total other state restricted revenues .....		27,753,600
---	--	------------

State general fund/general purpose .....	\$	3,111,200
--	----	-----------

**Sec. 112. COMMUNITY LIVING, CHILDREN, AND FAMILIES**

Full-time equated classified positions .....	129.8	
Adolescent health care services.....		\$ 2,892,300



	For Fiscal Year Ending Sept. 30, 2000
Childhood lead program—5.0 FTE positions .....	1,376,800
Children’s waiver home care program.....	21,713,700
Community living, children, and families administration—114.3 FTE positions.....	10,746,900
Dental programs.....	260,400
Dental program for persons with developmental disabilities .....	151,000
Family planning local agreements .....	8,100,000
Family support subsidy .....	14,014,400
Housing and support services—1.0 FTE positions .....	5,251,800
Local MCH services.....	8,354,200
Migrant health care .....	166,100
Newborn screening follow-up and treatment services .....	2,013,700
Omnibus reconciliation act implementation—9.0 FTE positions.....	12,677,100
Pediatric AIDS prevention and control .....	871,100
Pregnancy prevention program.....	7,196,100
Prenatal care outreach and service delivery support.....	4,299,300
Southwest community partnership.....	1,000,000
Special projects—0.5 FTE positions .....	6,489,300
Sudden infant death syndrome program .....	121,300
Women, infants, and children program local agreements and food costs.....	154,128,100
GROSS APPROPRIATION.....	\$ 261,823,600
Appropriated from:	
Federal revenues:	
Total federal revenue .....	175,684,000
Special revenue funds:	
Private funds.....	41,954,100
Total other state restricted revenues .....	9,342,600
State general fund/general purpose .....	\$ 34,842,900
<b>Sec. 113. CHILDREN’S SPECIAL HEALTH CARE SERVICES</b>	
Full-time equated classified positions .....	66.6
Children’s special health care services administration—66.6 FTE positions .....	\$ 5,228,800
Amputee program .....	184,600
Bequests for care and services .....	1,329,600
Case management services.....	3,923,500
Conveyor contract.....	559,100
Medical care and treatment .....	113,994,400
GROSS APPROPRIATION.....	\$ 125,220,000
Appropriated from:	
Federal revenues:	
Total federal revenue .....	58,411,300
Special revenue funds:	
Private-bequests .....	900,000
Total other state restricted revenues .....	4,048,500
State general fund/general purpose .....	\$ 61,860,200
<b>Sec. 114. OFFICE OF DRUG POLICY CONTROL</b>	
Full-time equated classified positions .....	17.0
Drug control policy—17.0 FTE positions .....	\$ 1,686,800
Anti-drug abuse grants .....	33,400,000
GROSS APPROPRIATION.....	\$ 35,086,800
Appropriated from:	
Federal revenues:	
Total federal revenue .....	34,912,400
State general fund/general purpose .....	\$ 174,400
<b>Sec. 115. CRIME VICTIM SERVICES COMMISSION</b>	
Full-time equated classified positions .....	9.0
Grants administration services—9.0 FTE positions.....	\$ 893,200

	For Fiscal Year Ending Sept. 30, 2000
Justice assistance grants .....	9,000,000
Crime victim rights services grants .....	6,829,600
<b>GROSS APPROPRIATION</b> .....	<b>\$ 16,722,800</b>
Appropriated from:	
Federal revenues:	
Total federal revenues .....	9,784,900
Special revenue funds:	
Total other state restricted revenues .....	6,452,700
State general fund/general purpose .....	\$ 485,200
<b>Sec. 116. OFFICE OF SERVICES TO THE AGING</b>	
Full-time equated classified positions .....	39.5
Commission (per diem \$50.00) .....	\$ 10,500
Office of services to aging administration—36.5 FTE positions .....	3,872,100
Long-term care advisor—3.0 FTE positions .....	3,000,000
Community services .....	26,823,400
Nutrition services .....	28,285,700
Senior volunteer services .....	4,220,800
Senior citizen centers staffing and equipment .....	2,140,700
Employment assistance .....	2,632,700
DAG commodity supplement .....	7,200,000
Michigan pharmaceutical program .....	6,000,000
Respite care program .....	8,600,000
Senior Olympics .....	100,000
<b>GROSS APPROPRIATION</b> .....	<b>\$ 92,885,900</b>
Appropriated from:	
Federal revenues:	
Total federal revenues .....	41,292,100
Special revenue funds:	
Total private revenue .....	125,000
Tobacco settlement revenue .....	8,000,000
Total other state restricted revenues .....	8,700,700
State general fund/general purpose .....	\$ 34,768,100
<b>Sec. 117. MEDICAL SERVICES ADMINISTRATION</b>	
Full-time equated classified positions .....	352.5
Medical services administration—350.7 FTE positions .....	\$ 44,820,900
Data processing contractual services .....	100
Facility inspection contract - state police .....	132,800
MIChild administration .....	3,327,800
Michigan essential health care provider .....	1,229,100
Palliative and hospice care .....	700,000
Primary care services—1.8 FTE positions .....	2,543,900
<b>GROSS APPROPRIATION</b> .....	<b>\$ 52,754,600</b>
Appropriated from:	
Federal revenues:	
Total federal revenues .....	33,708,100
Special revenue funds:	
Private funds .....	100,000
Total other state restricted revenues .....	1,463,300
State general fund/general purpose .....	\$ 17,483,200
<b>Sec. 118. MEDICAL SERVICES</b>	
Hospital services and therapy .....	\$ 718,362,500
Hospital disproportionate share payments .....	45,000,000
Physician services .....	149,940,800
Medicare premium payments .....	130,895,000
Pharmaceutical services .....	275,004,300
Home health services .....	29,869,500

	For Fiscal Year Ending Sept. 30, 2000
Transportation .....	7,825,900
Auxiliary medical services .....	68,160,800
Long-term care services .....	1,097,213,800
Long-term care innovations grants .....	22,276,700
Elder prescription insurance coverage .....	45,000,000
Health plan services .....	1,258,113,700
EPSDT and maternal and infant support services outreach .....	8,488,600
MICchild outreach .....	3,327,800
MICchild program .....	57,567,100
Personal care services .....	29,162,900
Maternal and child health .....	9,234,500
Adult home help .....	154,187,600
Social services to the physically disabled .....	1,344,900
Subtotal basic medical services program .....	4,110,976,400
Outpatient hospital adjustor .....	44,012,800
School based services .....	142,782,300
Special adjustor payments .....	874,795,400
Subtotal special medical services payments .....	1,061,590,500
GROSS APPROPRIATION .....	\$ 5,172,566,900
Appropriated from:	
Federal revenues:	
Total federal revenues .....	2,971,060,800
Special revenue funds:	
Local revenues .....	642,944,200
Private funds .....	15,500,000
Tobacco settlement revenue .....	45,000,000
Total other state restricted revenues .....	230,334,100
State general fund/general purpose .....	\$ 1,267,727,800

PART 1A

LINE-ITEM APPROPRIATIONS - FISCAL YEAR 1998-1999

Sec. 120. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of community health for the fiscal year ending September 30, 1999, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**SUMMARY FOR FISCAL YEAR 1998-1999**

GROSS APPROPRIATION .....	\$ 124,212,800
Federal revenues:	
Total federal revenues .....	94,772,200
Special revenue funds:	
Total local revenues .....	20,000,000
Total private revenues .....	0
Total local and private revenues .....	20,000,000
Total other state restricted revenues .....	0
State general fund/general purpose .....	\$ 9,440,600

**Sec. 121. COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS**

Community mental health programs .....	\$ 104,212,800
GROSS APPROPRIATION .....	\$ 104,212,800

Appropriated from:

Federal revenues:

Total federal revenues .....	84,228,200
------------------------------	------------

Special revenue funds:

State general fund/general purpose .....	\$ 19,984,600
--	---------------

**Sec. 123. MEDICAL SERVICES**

Special adjustor payments .....	\$ 20,000,000
Subtotal special medical services payments .....	20,000,000
GROSS APPROPRIATION .....	\$ 20,000,000

For Fiscal Year  
Ending Sept. 30,  
1999

Appropriated from:	
Federal revenues:	
Total federal revenues .....	10,544,000
Special revenue funds:	
Local revenues .....	20,000,000
State general fund/general purpose .....	\$ (10,544,000)

**PART 1B**

**LINE-ITEM APPROPRIATIONS - FISCAL YEAR 2000-2001**

Sec. 130. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of community health for the fiscal year ending September 30, 2001, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**SUMMARY FOR FISCAL YEAR 2000-2001**

GROSS APPROPRIATION.....	\$ 2,211,473,600
Federal revenues:	
Total federal revenues .....	1,243,732,800
Special revenue funds:	
Total local revenues .....	0
Total private revenues .....	0
Total local and private revenues.....	0
Total other state restricted revenues .....	0
State general fund/general purpose .....	\$ 967,740,800

**Sec. 131. MEDICAL SERVICES**

Hospital services and therapy.....	\$ 747,097,000
Physician services .....	155,938,400
Health plan services.....	1,308,438,200
Subtotal basic medical services program.....	2,211,473,600
GROSS APPROPRIATION.....	\$ 2,211,473,600

Appropriated from:

Federal revenues:	
Total federal revenues .....	1,243,922,100
Special revenue funds:	
State general fund/general purpose .....	\$ 967,740,800

**PART 2**

**PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 1999-2000**

**GENERAL SECTIONS**

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending in part 1 from state sources for fiscal year 1999-2000 is estimated at \$3,018,767,500.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

**DEPARTMENT OF COMMUNITY HEALTH**

**DEPARTMENTWIDE ADMINISTRATION**

Departmental administration and management .....	\$ 1,618,000
--	--------------

**COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS**

Pilot projects in prevention for adults and children.....	1,441,800
Community substance abuse prevention, education, and treatment programs.....	19,419,700
Community mental health Medicaid managed care .....	541,517,900
Community mental health non-Medicaid services .....	313,196,200

**INFECTIOUS DISEASE CONTROL**

AIDS prevention, testing, and care programs .....	1,466,800
Sexually transmitted disease local agreements .....	452,900
Hepatitis A immunization program in Calhoun County.....	100,000

**LOCAL HEALTH ADMINISTRATION AND GRANTS**

Special population health care .....	29,600
Local public health operations .....	39,874,000

**CHRONIC DISEASE, INJURY, AND HEALTH PROMOTION**

Cancer prevention and control program .....	397,000
Diabetes program.....	1,275,000

Employee wellness programs .....	1,545,100
School health and education programs .....	2,000,000
Smoking prevention program .....	2,880,000
<b>COMMUNITY LIVING, CHILDREN, AND FAMILIES</b>	
Adolescent health care services.....	1,358,000
Family planning local agreements.....	1,230,300
Family support subsidy .....	7,006,900
Homelessness formula grant program - state match .....	708,800
Local MCH services.....	246,100
OBRA implementation.....	2,459,100
Pregnancy prevention program.....	2,511,800
Prenatal care outreach and service delivery support.....	1,250,000
<b>CHILDREN'S SPECIAL HEALTH CARE SERVICES</b>	
Case management services.....	1,433,200
<b>MEDICAL SERVICES</b>	
Special adjustor payments.....	1,383,800
Hospital disproportionate share payments.....	18,000,000
Hospital services and therapy.....	17,559,300
Physician services .....	5,305,100
Pharmaceutical services .....	7,265,000
Home health services .....	1,195,200
Transportation .....	184,500
Health plan services.....	54,575,700
<b>OFFICE OF SERVICES TO THE AGING</b>	
Community services.....	13,681,400
Nutrition services.....	12,363,000
Senior volunteer services .....	3,845,300
Michigan pharmaceutical program .....	140,000
Respite care program .....	2,000,000
<b>CRIME VICTIMS SERVICES COMMISSION</b>	
Crime victims' rights services grants.....	3,400,000
<b>TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT.....</b>	<b>\$ 1,086,316,500</b>

(2) If it appears to the principal executive officer of a department or branch that state spending to local units of government will be less than the amount that was projected to be expended under subsection (1), the principal executive officer shall immediately give notice of the approximate shortfall to the state budget director.

Sec. 202. The expenditures and funding sources authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. Funds for which the state is acting as the custodian or agent are not subject to annual appropriation.

Sec. 204. As used in this act:

- (a) "ACCESS" means Arab community center for economic and social services.
- (b) "AIDS" means acquired immunodeficiency syndrome.
- (c) "CMHSP" means a community mental health service program as that term is defined in section 100a of the mental health code, 1974 PA 258, MCL 330.1100a.
- (d) "DAG" means the United States department of agriculture.
- (e) "Disease management" means a comprehensive system that incorporates the patient, physician, and health plan into 1 system with the common goal of achieving desired outcomes for patients.
- (f) "Department" means the Michigan department of community health.
- (g) "DSH" means disproportionate share hospital.
- (h) "FTE" means full-time equated position.
- (i) "GME" means graduate medical education.
- (j) "HMO" means health maintenance organization.
- (k) "IDEA" means individual disability education act.
- (l) "MCH" means maternal and child health.
- (m) "OBRA" means the omnibus budget reconciliation act of 1987, Public Law 100-203, 101 Stat. 1330.
- (n) "Qualified health plan" means, at a minimum, an organization that meets the criteria for delivering the comprehensive package of services under the department's comprehensive health plan.
- (o) "Title XVIII" means title XVIII of the social security act, chapter 531, 49 Stat. 620, 42 U.S.C. 1395 to 1395b, 1395b-2, 1395b-6 to 1395b-7, 1395c to 1395i, 1395i-2 to 1395i-5, 1395j to 1395t, 1395u to 1395w, 1395w-2 to 1395w-4, 1395w-21 to 1395w-28, 1395x to 1395yy, and 1395bbb to 1395ggg.

(p) "Title XIX" means title XIX of the social security act, chapter 531, 49 Stat. 620, 42 U.S.C. 1396 to 1396d, 1396f, 1396g-1 to 1396r-6, and 1396r-8 to 1396v.

Sec. 206. (1) Beginning October 1, 1999, a hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department or to positions that are funded with 80% or more federal or restricted funds.

(2) The state budget director shall grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services.

Sec. 207. If the revenue collected by the department from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

Sec. 208. Except as provided in section 111b(11) of the social welfare act, 1939 PA 280, MCL 400.111b, relative to medical services providers, the department shall not pay for a billing received from a contractor or service provider that is submitted more than 12 months after the bill for a good or service is provided.

Sec. 209. (1) From the amounts appropriated in part 1, no greater than the following amounts are supported with federal maternal and child health block grant, preventive health and health services block grant, substance abuse block grant, healthy Michigan fund, and Michigan health initiative funds:

(a) Maternal and child health block grant .....	\$	20,977,000.
(b) Preventive health and health services block grant .....	\$	6,347,100.
(c) Substance abuse block grant.....	\$	62,742,300.
(d) Healthy Michigan fund.....	\$	41,062,500.
(e) Michigan health initiative.....	\$	9,900,800.

(2) On or before February 1, 2000, the department shall report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on the detailed name and amounts of federal, restricted, private, and local sources of revenue that support the appropriations in each of the line items in part 1 of this act.

(3) Upon the release of the fiscal year 2000-2001 executive budget recommendation, the department shall report to the same parties in subsection (2) on the amounts and detailed sources of federal, restricted, private, and local revenue proposed to support the total funds appropriated in each of the line items in part 1 of the fiscal year 2000-2001 executive budget proposal.

(4) The department shall provide to the same parties in subsection (2) all revenue source detail for consolidated revenue line item detail upon request to the department.

Sec. 210. The state departments, agencies, and commissions receiving tobacco tax funds from part 1 shall report by October 1, 1999, to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director on the following:

- (a) Detailed spending plan by appropriation line item including description of programs.
- (b) Allocations from funds appropriated under these sections.
- (c) Description of allocations or bid processes including need or demand indicators used to determine allocations.
- (d) Eligibility criteria for program participation and maximum benefit levels where applicable.
- (e) Outcome measures to be used to evaluate programs.
- (f) Any other information deemed necessary by the house or senate appropriations committees or the state budget director.

Sec. 211. The use of state restricted tobacco tax revenue received for the purpose of tobacco prevention, education, and reduction efforts and deposited in the healthy Michigan fund shall not be used for lobbying as defined in 1978 PA 472, MCL 4.411 to 4.431.

Sec. 212. The department of civil service shall bill departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 214. The source of funding for the part 1 appropriation for the Arab-American and Chaldean council, and ACCESS primary care services is the federal preventive health and health services block grant.

Sec. 215. (1) In addition to funds appropriated in part 1 for all programs and services, there is appropriated for write-offs of accounts receivable, deferrals, and for prior year obligations in excess of applicable prior year appropriations, an amount equal to total write-offs and prior year obligations, but not to exceed amounts available in prior year revenues.

(2) The department's ability to satisfy appropriation deductions in part 1 shall not be limited to collections and accruals pertaining to services provided in fiscal year 1999-2000, but shall also include reimbursements, refunds, adjustments, and settlements from prior years.

(3) The department shall report promptly to the house and senate appropriations subcommittees on community health on all reimbursements, refunds, adjustments, and settlements from prior years.

Sec. 216. (1) The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both, for the department.

(2) The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies, or both.

(3) The director shall take all reasonable steps to ensure equal opportunity for all who compete for and perform contracts to provide services or supplies or both for the department. The director shall strongly encourage firms with which the department contracts to provide equal opportunity for subcontractors to provide services or supplies or both.

Sec. 217. Funds appropriated in part 1 shall not be used for the purchase of foreign goods and/or services when competitively priced and of comparable quality American goods and/or services are available.

Sec. 218. (1) The department shall provide a report on the progress of Medicaid managed mental health services to the members of the senate and house appropriations subcommittees on community health, the senate committee on families, mental health, and human services, and the house committee on mental health by September 30, 2000. The report shall summarize actions taken by the department, community mental health services programs, and substance abuse coordinating agency networks to implement these specialized managed care programs, and shall include summary information on inpatient and partial hospitalization and costs, access to services, and summary information on consumer satisfaction measures.

(2) On or before the tenth of each month, the department shall report to the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director on the amount of funding paid to the CMHSPs to support the Medicaid managed mental health care program in that month. The information shall include the total paid to each CMHSP, per capita rate paid for each eligibility group for each CMHSP, and number of cases in each eligibility group for each CMHSP.

Sec. 220. (1) The department shall submit to the department of management and budget, the house and senate appropriations committees, the house and senate fiscal agencies, and the house and senate standing committees having jurisdiction over technology issues quarterly reports on the department's efforts to change the department's computer software and hardware as necessary to perform properly in the year 2000 and beyond. These reports shall identify actual progress in comparison to the department's approved work plan for these efforts.

(2) Beginning with the report on April 1, 2000, the department shall submit to the department of management and budget, the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the senate and house standing committees having jurisdiction over technology issues quarterly reports identifying for the immediately preceding quarter significant problems with information systems, occurrences of information system failure as a result of noncompliance with year 2000 standards, and previously unidentified areas of significant impact. These reports shall identify systems needing corrective action and the contractual obligations of accountable parties. These reports shall give the status of the progress made in repairing and testing applications, the status of vendor supplied solutions to problems, information on the activation of manual or contract processes used to correct problems, and an itemization of the additional costs incurred.

(3) The department may present progress billings to the department of management and budget for the costs incurred in changing computer software and hardware as necessary to perform properly in the year 2000 and beyond and for costs incurred as a result of initiating corrective actions. At the time progress billings are presented for reimbursement, the department shall identify the funding sources that should support the work performed and the department of management and budget shall forward the appropriated funding.

Sec. 222. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 223. Basic health services for the fiscal year beginning October 1, 1999, for the purpose of part 23 of the public health code, 1978 PA 368, MCL 333.2301 to 333.2321, are: immunizations, communicable disease control, sexually transmitted disease control, tuberculosis control, prevention of gonorrhea eye infection in newborns, screening newborns for the 7 conditions listed in section 5431(1)(a) through (g) of the public health code, 1978 PA 368, MCL 333.5431, community health annex of the Michigan emergency management plan, and prenatal care.

Sec. 224. (1) The department may contract with the Michigan public health institute for the design and implementation of projects and for other public health related activities prescribed in section 2611 of the public health code, 1978 PA 368, MCL 333.2611. The department may develop a master agreement with the institute to carry out these purposes for up to a 3-year period. The department shall report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on or before November 1, 1999 and May 1, 2000 all of the following:

- (a) A detailed description of each funded project.
- (b) The amount allocated for each project, the appropriation line item from which the allocation is funded, and the source of financing for each project.
- (c) The expected project duration.
- (d) A detailed spending plan for each project, including a list of all subgrantees and the amount allocated to each subgrantee.

(2) If a report required under subsection (1) is not received by the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on or before the date specified for that report, the disbursement of funds to the Michigan public health institute under this section shall stop. The disbursement of those funds shall recommence when the overdue report is received.

(3) On or before September 30, 2000, the department shall provide to the same parties listed in subsection (1) a copy of all reports, studies, and publications produced by the Michigan public health institute, its subcontractors, or the department with the funds appropriated in part 1 and allocated to the Michigan public health institute.

Sec. 225. From the amounts appropriated in part 1 for departmentwide administration, the department shall make available to the state budget director up to \$100,000.00 for the purpose of contracting for an external review of the Michigan public health institute. The purpose of the review is to assess the quality of the research and demonstration projects administered by the Michigan public health institute and funded with state appropriations. In selecting a contractor to perform the external review, the state budget director may consider public or private institutions of higher learning from outside this state and public or private agencies, foundations, or public policy research organizations with expertise in the area of health policy research.

Sec. 226. All contracts with the Michigan public health institute funded with appropriations in part 1 shall include a requirement that the Michigan public health institute submit to financial and performance audits by the state auditor general of projects funded with state appropriations.

Sec. 229. The departments and state agencies receiving appropriations under this act shall receive and retain copies of all reports funded from appropriations in part 1. These departments and state agencies shall follow federal and state guidelines for short-term and long-term retention of these reports and records.

Sec. 232. Sixty days before beginning any effort to privatize, the department shall submit a complete project plan to the appropriate house and senate appropriations subcommittees and the house and senate fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate house and senate appropriations subcommittees and the house and senate fiscal agencies within 30 months.

Sec. 235. The department shall require that providers of Medicaid and non-Medicaid services, such as nursing home providers, community mental health service programs, and other health related services, maintain waiting lists for service needs not met, preserving the confidentiality of clients as required by law. The waiting lists for all of these providers, other than CMHSPs, shall include data by type of service and provide an average length of time persons have been waiting for services. For community mental health services programs, the data shall be reported by type of service for each community mental health services program as well as information on the average length of time spent on each waiting list. No later than April 1, 2000, the department shall provide a report on the information required by this section to the members of the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director.

Sec. 236. The department of community health may establish and collect fees for publications, videos and related materials, conferences, and workshops. Collected fees shall be used to offset expenditures to pay for printing and mailing costs of the publications, videos and related materials, and costs of the workshops and conferences. The costs shall not exceed fees collected.

Sec. 237. The department shall provide a report prepared by the department's internal auditor on the activities of the internal auditor for the prior fiscal year. This report shall include a listing of each audit or investigation performed by the internal auditor pursuant to sections 486(4) and 487 of the management and budget act, 1984 PA 431, MCL 18.1486 and 18.1487. The report shall identify the proportion of time spent on each of the statutory responsibilities listed in sections 485(4), 486(4), and 487 of the management and budget act, 1984 PA 431, MCL 18.1485, 18.1486, and 18.1487, and the time spent on all other activities performed in the internal audit function. The first report shall be due March 1, 2000, and biennially thereafter beginning on May 1 and shall be submitted to the governor, auditor general, the senate and house appropriations committees, the senate and house fiscal agencies, and the director.



Sec. 238. The department shall implement a pilot program that places reports required by this act on the Internet, with electronic notification to legislative offices of Internet access to the reports. During fiscal year 2000, the department shall continue to distribute all of these reports to the legislature in the current printed format.

#### **DEPARTMENTWIDE ADMINISTRATION**

Sec. 302. From funds appropriated for worker's compensation, the department may make payments in lieu of worker's compensation payments for wage/salary and related fringe benefits for employees who return to work under limited duty assignments.

Sec. 303. Funds appropriated in part 1 for the community health advisory council may be used for member per diems of \$50.00 and other council expenditures.

Sec. 307. The department is prohibited from requiring first-party payment from individuals or families with a taxable income of \$9,000.00 or less for mental health services.

#### **MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION AND SPECIAL PROJECTS**

Sec. 350. The department may enter into a contract with the protection and advocacy service, authorized under section 931 of the mental health code, 1974 PA 258, MCL 330.1931, or a similar organization to provide legal services for purposes of gaining and maintaining occupancy in a community living arrangement which is under lease or contract with the department or a community mental health services program board to provide services to persons with mental illness or developmental disability.

Sec. 351. In cases where a community mental health services program has responsibility for community residential service programs that were previously administered by the state, funds appropriated in part 1 for community mental health programs may be used for basic care where individuals are not eligible to receive social security benefits and are not otherwise capable of supporting themselves out of their resources. These funds also may be used for aftercare services or to prevent admissions to state hospitals and centers.

#### **COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS**

Sec. 401. (1) Funds appropriated in part 1 are intended to support a system of comprehensive community mental health services under the full authority and responsibility of local CMHSPs. The department shall ensure that each board provides all of the following:

- (a) A system of single entry and single exit.
  - (b) A complete array of mental health services which shall include, but shall not be limited to, all of the following services: residential and other individualized living arrangements, outpatient services, acute inpatient services, and long-term, 24-hour inpatient care in a structured, secure environment.
  - (c) The coordination of inpatient and outpatient hospital services through agreements with state-operated psychiatric hospitals, units, and centers in facilities owned or leased by the state, and privately-owned hospitals, units, and centers licensed by the state pursuant to sections 134 through 149b of the mental health code, 1974 PA 258, MCL 330.1134 to 330.1149b.
  - (d) Individualized plans of service that are sufficient to meet the needs of individuals, including those discharged from psychiatric hospitals or centers, and that ensure the full range of recipient needs is addressed through the CMHSP's program or through assistance with locating and obtaining services to meet these needs.
  - (e) A system of case management to monitor and ensure the provision of services consistent with the individualized plan of services or supports.
  - (f) A system of continuous quality improvement.
  - (g) A system to monitor and evaluate the mental health services provided.
- (2) In partnership with CMHSPs, the department shall establish a process to ensure the long-term viability of a single entry and exit and locally controlled community mental health system.
  - (3) A contract between a CMHSP and the department shall not be altered or modified without a prior written agreement of the parties to the contract.

Sec. 402. (1) From funds appropriated in part 1, final authorizations to CMHSPs shall be made upon the execution of contracts between the department and CMHSPs. The contracts shall contain an approved plan and budget as well as policies and procedures governing the obligations and responsibilities of both parties to the contracts. Each contract with a CMHSP that the department is authorized to enter into under this subsection shall include a provision that the contract is not valid unless the total dollar obligation for all of the contracts between the department and the CMHSPs entered into under this subsection for fiscal year 1999-2000 does not exceed the amount of money appropriated in part 1 for the contracts authorized under this subsection.

(2) The department shall immediately report to the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director if either of the following occurs:

- (a) Any new contracts with CMHSPs that would affect rates or expenditures are enacted.
- (b) Any amendments to contracts with CMHSPs that would affect rates or expenditures are enacted.
- (3) The report required by subsection (2) shall include information about the changes and their effects on rates and expenditures.

Sec. 406. From the funds appropriated in part 1 for multicultural services, the department shall ensure that CMHSPs continue contracts with multicultural services providers. The increase in funding over fiscal year 1998-99 shall be allocated in equal amounts to ACCESS and the Arab-American and Chaldean council.

Sec. 407. (1) Not later than May 31 of each fiscal year, the department shall provide a report on the community mental health services programs to the members of the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director which shall include information required by this section.

(2) The report shall contain information for each community mental health services board and a statewide summary, each of which shall include at least the following information:

(a) A demographic description of service recipients which, minimally, shall include reimbursement eligibility, client population, age, ethnicity, housing arrangements, and diagnosis.

(b) Per capita expenditures by client population group.

(c) Financial information which, minimally, shall include a description of funding authorized; expenditures by client group and fund source; and cost information by service category, including administration. Service category shall include all department approved services.

(d) Data describing service outcomes which shall include but not be limited to an evaluation of consumer satisfaction, consumer choice, and quality of life concerns including but not limited to housing and employment.

(e) Information about access to community mental health services programs which shall include but not be limited to:

(i) The number of people receiving requested services.

(ii) The number of people who requested services but did not receive services.

(f) The number of second opinions requested under the code and the determination of any appeals.

(g) An analysis of information provided by community mental health service programs in response to the needs assessment requirements of the mental health code, including information about the number of persons in the service delivery system who have requested and are clinically appropriate for different services.

(h) An estimate of the number of FTEs employed by the CMHSPs or contracted with directly by the CMHSPs as of September 30, 1999 and an estimate of the number of FTEs employed through contracts with provider organizations as of September 30, 1999.

(i) Lapses and carryforwards during fiscal year 1998-99 for CMHSPs.

(j) Contracts for mental health services entered into by CMHSPs with providers, including amounts and rates, organized by type of service provided.

(k) Information on the community mental health Medicaid managed care program, including, but not limited to:

(i) Expenditures by each CMHSP organized by Medicaid eligibility group, including per eligible individual expenditure averages.

(ii) Performance indicator information required to be submitted to the department in the contracts with CMHSPs.

(3) The department shall include data reporting requirements listed in subsection (2) in the annual contract with each individual CMHSP.

(4) The department shall take all reasonable actions to ensure that the data required are complete and consistent among all CMHSPs.

Sec. 409. It is the intent of the legislature that the employee wage pass-through funded to the community mental health services programs for direct care workers in local residential settings and for paraprofessional and other nonprofessional direct care workers in day programs, supported employment, and other vocational programs that was funded beginning April 1, 1999 shall continue to be paid to direct care workers in fiscal year 1999-2000. These funds shall be used to cover such increased wages and employer associated wage costs.

Sec. 411. (1) The funds appropriated in part 1 for the state disability assistance substance abuse services program shall be used to support per diem room and board payments in substance abuse residential facilities. Eligibility of clients for the state disability assistance substance abuse services program shall include needy persons 18 years of age or older, or emancipated minors, who reside in a substance abuse treatment center.

(2) The department shall reimburse all licensed substance abuse programs eligible to participate in the program at a rate equivalent to that paid by the family independence agency to adult foster care providers. Programs accredited by department-approved accrediting organizations shall be reimbursed at the personal care rate, while all other eligible programs shall be reimbursed at the domiciliary care rate.

Sec. 412. (1) The amount appropriated in part 1 for substance abuse prevention, education, and treatment grants shall be expended for contracting with coordinating agencies or designated service providers. It is the intent of the legislature that the coordinating agencies and designated service providers work with the CMHSPs to coordinate the care and services provided to individuals with both mental illness and substance abuse diagnoses.

(2) The department shall establish a fee schedule for providing substance abuse services and charge participants in accordance with their ability to pay. The mechanisms and fee schedule shall be developed by the department with input from substance abuse coordinating agencies.

Sec. 413. (1) By April 15, 2000, the department shall report the following data from fiscal year 1998-99 on substance abuse prevention, education, and treatment programs to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies:

(a) Expenditures stratified by coordinating agency, by central diagnosis and referral agency, by fund source, by subcontractor, by population served, and by service type. Additionally, data on administrative expenditures by coordinating agency and by subcontractor shall be reported.

(b) Expenditures per state client, with data on the distribution of expenditures reported using a histogram approach.

(c) Number of services provided by central diagnosis and referral agency, by subcontractor, and by service type. Additionally, data on length of stay, referral source, and participation in other state programs.

(d) Collections from other first- or third-party payers, private donations, or other state or local programs, by coordinating agency, by subcontractor, by population served, and by service type.

(2) The department shall take all reasonable actions to ensure that the required data reported are complete and consistent among all coordinating agencies.

Sec. 414. The funding in part 1 for substance abuse services shall be distributed in a manner so as to provide priority to service providers which furnish child care services to clients with children.

Sec. 418. If a person licensed to provide substance abuse services receives federal substance abuse prevention block grant funds, any priority positions established under state statute for recipients of their services shall apply only after serving those priority positions granted under the conditions of the federal block grant.

Sec. 421. The department shall assure that substance abuse treatment is provided to applicants and recipients of public assistance through the family independence agency who are required to obtain substance abuse treatment as a condition of eligibility for public assistance.

Sec. 422. (1) The department shall ensure that each contract with a CMHSP shall require the CMHSP to implement programs to encourage diversions of persons with serious mental illness, serious emotional disturbance, or developmental disability from possible jail incarceration when appropriate.

(2) Each CMHSP shall have jail diversion services and shall work toward establishing working relationships with representative staff of local law enforcement agencies. Such agencies include the county prosecutors' offices, county sheriffs' offices, county jails, municipal police agencies, municipal detention facilities, and the courts. Written interagency agreements describing what services each participating agency is prepared to commit to the local jail diversion effort and the procedures to be used by local law enforcement agencies to access mental health jail diversion services are strongly encouraged.

Sec. 423. The department shall contract directly with the Salvation Army harbor light program for the provision of non-Medicaid substance abuse services.

Sec. 424. In fiscal year 1999-2000, the department shall develop a plan which conforms to the requirements of the health care finance administration for competitive procurement of contracts to manage Medicaid mental health, developmental disabilities, and substance abuse services. The department shall submit the plan to the appropriation subcommittees for community health of both the house and senate and to the health care financing administration. If the health care financing administration approves the plan, the department may implement a competitive bid pilot program that complies with the approved plan. In fiscal year 1999-2000, the department shall not implement a statewide competitive bid process.

Sec. 426. Funds appropriated for Medicaid substance abuse services shall be contracted in full to coordinating agencies through CMHSPs unless such a pass-through is held to be in violation of federal or state law or rules. If such a pass-through is not permissible, the department shall contract directly with coordinating agencies. CMHSPs shall not assume any contractual or financial liability associated with the pass-through substance abuse services funds provided to eligible recipients with these funds. The coordinating agencies shall retain financial program responsibilities and liabilities consistent with contract requirements.

#### **STATE PSYCHIATRIC HOSPITALS, CENTERS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES, AND FORENSIC AND PRISON MENTAL HEALTH SERVICES**

Sec. 601. (1) In funding of staff in the financial support division, reimbursement, and billing and collection sections, priority shall be given to obtaining third-party payments for services. Collection from individual recipients of services and their families shall be handled in a sensitive and nonharassing manner.

(2) The department shall continue a revenue recapture project to generate additional revenues from third parties related to cases which have been closed or are inactive. Revenues collected through project efforts are appropriated to the department for departmental costs and contractual fees associated with these retroactive collections and to improve ongoing departmental reimbursement management functions so that the need for retroactive collections will be reduced or eliminated.

Sec. 602. Unexpended and unencumbered amounts and accompanying expenditure authorizations up to \$2,000,000.00 remaining on September 30, 2000 from pay telephone revenues and the amounts appropriated in part 1 for gifts and bequests for patient living and treatment environments shall be carried forward for 1 fiscal year. The purpose of gifts and bequests for patient living and treatment environments is to use additional private funds to provide

specific enhancements for individuals residing at state-operated facilities. Use of the gifts and bequests shall be consistent with the stipulation of the donor. The expected completion date for the use of gifts and bequests donations is within 3 years unless otherwise stipulated by the donor.

Sec. 603. The funds appropriated in part 1 for forensic mental health services provided to the department of corrections are in accordance with the interdepartmental plan developed in cooperation with the department of corrections. The department is authorized to receive and expend funds from the department of corrections in addition to the appropriations in part 1 to fulfill the obligations outlined in the interdepartmental agreements.

Sec. 604. (1) The CMHSPs shall provide semiannual reports to the department on the following information:

(a) The number of days of care purchased from state hospitals and centers.

(b) The number of days of care purchased from private hospitals in lieu of purchasing days of care from state hospitals and centers.

(c) The number and type of alternative placements to state hospitals and centers other than private hospitals.

(d) Waiting lists for placements in state hospitals and centers.

(2) The department shall semiannually report the information in subsection (1) to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director.

Sec. 605. (1) The department shall not implement any closures or consolidations of state hospitals, centers, or agencies until CMHSPs have programs and services in place for those persons currently in those facilities and a plan for service provision for those persons who would have been admitted to those facilities.

(2) All closures or consolidations are dependent upon adequate department-approved CMHSP plans which include a discharge and aftercare plan for each person currently in the facility. A discharge and aftercare plan shall address the person's housing needs. A homeless shelter or similar temporary shelter arrangements are inadequate to meet the person's housing needs.

(3) Four months after the certification of closure required in section 19(6) of 1943 PA 240, MCL 38.19, the department shall provide a closure plan to the house and senate appropriations subcommittees.

(4) Upon the closure of state-run operations and after transitional costs have been paid, the remaining balances of funds appropriated for that operation shall be transferred to CMHSPs responsible for providing services for persons previously served by the operations.

#### **PUBLIC HEALTH ADMINISTRATION**

Sec. 701. Of the amount appropriated in part 1 from revenues from fees and collections, not more than \$250,000.00 received from the sale of vital records death data shall be used for improvements in the vital records and health statistics program.

Sec. 702. (1) From the amounts appropriated in part 1 for minority health grants and contracts, \$100,000.00 shall be allocated for an Asian women health project.

(2) The amount allocated in subsection (1) is 1-time funding for the project, shall be considered a work project appropriation, and unencumbered or unallotted funds are carried forward into the succeeding 2 fiscal years.

#### **INFECTIOUS DISEASE CONTROL**

Sec. 801. State funds appropriated in any other account in part 1 may be used to supplant not more than \$350,000.00 in federal funds projected for immunization, if the federal funds are unavailable. The department shall inform the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director of the specific line items reduced pursuant to this section.

Sec. 802. In the expenditure of funds appropriated in part 1 for AIDS programs, the department and its subcontractors shall ensure that adolescents receive priority for prevention, education, and outreach services.

Sec. 803. In developing and implementing AIDS provider education activities, the department may provide funding to the Michigan state medical society to serve as lead agency to convene a consortium of health care providers, to design needed educational efforts, to fund other statewide provider groups, and to assure implementation of these efforts, in accordance with a plan approved by the department.

Sec. 807. From the funds appropriated in part 1 for the hepatitis A immunization program in Calhoun County line item, \$100,000.00 shall be used to support the final year of a project to vaccinate 2-year-old children countywide in Calhoun County with hepatitis A vaccine for the prevention of future outbreaks of hepatitis A.

Sec. 808. The department shall continue the AIDS drug assistance program maintaining the prior year eligibility criteria and drug formulary. This section is not intended to prohibit the department from providing assistance for improved AIDS treatment medications.

#### **EPIDEMIOLOGY**

Sec. 850. From the funds appropriated in part 1 for epidemiology administration, no less than \$150,000.00 shall be allocated for the behavioral risk factor survey project.

#### **LOCAL HEALTH ADMINISTRATION AND GRANTS**

Sec. 903. The amount appropriated in part 1 for implementation of the 1993 amendments to sections 9161, 16221, 16226, 17014, 17015, and 17515 of the public health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014, 333.17015, and 333.17515, shall reimburse local health departments for costs incurred related to implementation of section 17015(15) of the public health code, 1978 PA 368, MCL 333.17015.

Sec. 905. If a county which has participated in a district health department or an associated arrangement with other local health departments takes action to cease to participate in such an arrangement after October 1, 1999, the department shall have the authority to negotiate and assess a penalty from the local health department's administrative accounts in an amount equal to no more than 3% of the local health department's local public health operations funding. This penalty shall only be assessed to the local county that requests the dissolution of the health department.

Sec. 908. The department shall provide a report semiannually to the house and senate appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director on the expenditures and activities undertaken by the lead abatement program. The report shall include but is not limited to a funding allocation schedule, expenditures by category of expenditure and by subcontractor, revenues received, description of program elements, and description of program accomplishments and progress.

Sec. 909. (1) Funds appropriated in part 1 for local public health operations shall be prospectively allocated to local health departments to support immunizations, infectious disease control, sexually transmitted disease control and prevention, hearing screening, vision services, food protection, public water supply, private groundwater supply, and on-site sewage management. Food protection shall be provided under contract with the Michigan department of agriculture. Public water supply, private groundwater supply, and on-site sewage management shall be provided under contract with the Michigan department of environmental quality.

(2) Local public health departments will be held to contractual standards for the services in subsection (1).

(3) Distributions in subsection (1) shall be made only to counties that maintain local spending in fiscal year 1999-2000 of at least the amount expended in fiscal year 1992-93 for the services described in subsection (1).

(4) By April 1, 2000, the department shall report to the senate and house appropriation subcommittees on community health, the senate and house fiscal agencies, and the state budget director on the planned allocation of the funds appropriated for local public health operations.

(5) It is the intent of the legislature that this appropriation be fully expended in fiscal year 1999-2000.

#### **CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION**

Sec. 1001. (1) From the state funds appropriated in part 1, the department shall allocate funds to promote awareness, education, and early detection of breast, cervical, prostate, and colorectal cancer, and provide for other health promotion media activities.

(2) The department shall increase funds allocated to promote awareness, education, and early detection of breast, cervical, and prostate cancer by \$750,000.00 above the amount allocated for this purpose in fiscal year 1996-97.

Sec. 1002. (1) The amount appropriated in part 1 for school health and education programs shall be allocated in 1999-2000 to provide grants to or contract with certain districts and intermediate districts for the provision of a school health education curriculum. Provision of the curriculum, such as the Michigan model or another comprehensive school health education curriculum, shall be in accordance with the health education goals established by the Michigan model for the comprehensive school health education state steering committee. The state steering committee shall be comprised of a representative from each of the following offices and departments:

- (a) The department of education.
- (b) The department of community health.
- (c) The public health agency in the department of community health.
- (d) The office of substance abuse services in the department of community health.
- (e) The family independence agency.
- (f) The department of state police.

(2) Upon written or oral request, a pupil not less than 18 years of age or a parent or legal guardian of a pupil less than 18 years of age, within a reasonable period of time after the request is made, shall be informed of the content of a course in the health education curriculum and may examine textbooks and other classroom materials that are provided to the pupil or materials that are presented to the pupil in the classroom. This subsection does not require a school board to permit pupil or parental examination of test questions and answers, scoring keys, or other examination instruments or data used to administer an academic examination.

Sec. 1003. Funds appropriated in part 1 for the Alzheimer's information network shall be used to provide information and referral services through regional networks for persons with Alzheimer's disease or related disorders, their families, and health care providers.

Sec. 1004. From the amounts appropriated in part 1 for the cancer prevention and control program, the department may allocate funds to the Hurley and Harper hospitals' prostate cancer demonstration projects in fiscal year 1999-2000.

Sec. 1005. From the funds appropriated in part 1 for physical fitness, nutrition, and health, up to \$1,000,000.00 may be allocated to the Michigan physical fitness and sports foundation. The allocation to the Michigan physical fitness and sports foundation is contingent upon the foundation providing at least a 20% cash match.

Sec. 1006. In spending the funds appropriated in part 1 for the smoking prevention program, priority shall be given to prevention and smoking cessation programs for pregnant women, women with young children, and adolescents.

Sec. 1007. (1) The funds appropriated in part 1 for violence prevention shall be used for, but not be limited to, the following:

- (a) Programs aimed at the prevention of spouse, partner, or child abuse and rape.
- (b) Programs aimed at the prevention of workplace violence.

(2) In awarding grants from the amounts appropriated in part 1 for violence prevention, the department shall give equal consideration to public and private nonprofit applicants.

(3) From the funds appropriated in part 1 for violence prevention, the department may include local school districts as recipients of the funds for family violence prevention programs.

Sec. 1008. From the amount appropriated in part 1 for the cancer prevention and control program, funds shall be allocated to the Karmanos cancer institute/Wayne State University, to the University of Michigan comprehensive cancer center, and to Michigan State University for cancer prevention activities.

Sec. 1009. From the funds appropriated in part 1 for the diabetes program, a portion of the funds may be allocated to the national kidney foundation of Michigan for kidney disease prevention programming including early identification and education programs and kidney disease prevention demonstration projects.

Sec. 1011. Of the funds appropriated in part 1 for the health education, promotion, and research programs, the department shall allocate \$400,000.00 to implement the osteoporosis prevention and treatment education program targeting women and school health education. As part of the program, the department shall design and implement strategies for raising public awareness on the causes and nature of osteoporosis, personal risk factors, value of prevention and early detection, and options for diagnosing and treating osteoporosis.

Sec. 1012. From the funds appropriated in part 1 for the diabetes program, \$320,000.00 shall be allocated for improving the health of African-American men in Michigan. The funds shall be used for screening and patient self-care activities for diabetes, hypertension, stroke, and glaucoma and other eye diseases.

Sec. 1014. (1) From the amounts appropriated in part 1 for violence prevention, \$500,000.00 shall be allocated to the Bay County women's center for domestic violence prevention and services programs.

(2) The amount allocated in subsection (1) shall be considered a work project appropriation, and unencumbered or unallotted funds are carried forward into the succeeding fiscal year.

Sec. 1015. The amounts appropriated in part 1 for health education, promotion, and research programs shall include \$300,000.00 in 1-time funding for an interactive health education center.

Sec. 1016. In implementing the early childhood collaborative secondary prevention program, the department shall work cooperatively with the department of education and the family independence agency to address issues and coordinate activities for community-based collaborative prevention services.

Sec. 1017. Funds appropriated for violence prevention in the amount of \$200,000.00 shall be made available to the office of drug control policy for the department of education to fund the office of safe schools.

### **COMMUNITY LIVING, CHILDREN, AND FAMILIES**

Sec. 1101. The department shall review the basis for the distribution of funds to local health departments and other public and private agencies for the women, infants, and children food supplement program; family planning; early and periodic screening, diagnosis, and treatment program; and prenatal care outreach and service delivery support program and indicate the basis upon which any projected underexpenditures by local public and private agencies shall be reallocated to other local agencies that demonstrate need.

Sec. 1102. (1) Agencies receiving funds appropriated from part 1 for adolescent health care services shall:

(a) Require each adolescent health clinic funded by the agency to report to the department on an annual basis all of the following information:

(i) Funding sources of the adolescent health clinic.

(ii) Demographic information of populations served including sex, age, and race. Reporting and presentation of demographic data by age shall include the range of ages of 0-17 years and the range of ages of 18-23 years.

(iii) Utilization data that reflects the number of visits and repeat visits and types of services provided per visit.

(iv) Types and number of referrals to other health care agencies.

(b) As a condition of the contract, a contract shall include the establishment of a local advisory committee before the planning phase of an adolescent health clinic intended to provide services within that school district. The advisory committee shall be comprised of not less than 50% residents of the local school district, and shall not be comprised of more than 50% health care providers. A person who is employed by the sponsoring agency shall not have voting privileges as a member of the advisory committee.

(c) Not allow an adolescent health clinic funded by the agency, as part of the services offered, to provide abortion counseling or services or make referrals for abortion services.

(d) Require each adolescent health clinic funded by the agency to have a written policy on parental consent, developed by the local advisory committee and submitted to the local school board for approval if the services are provided in a public school building where instruction is provided in grades kindergarten through 12.

(2) A local advisory committee established under subsection (1)(b), in cooperation with the sponsoring agency, shall submit written recommendations regarding the implementation and types of services rendered by an adolescent health clinic to the local school board for approval of adolescent health services rendered in a public school building where instruction is provided in grades kindergarten through 12.

(3) The department shall submit a report to the members of the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies based on the information provided under subsection (1)(a). The report is due 90 days after the end of the calendar year.

Sec. 1103. Of the funds appropriated in part 1 for adolescent health care services, \$1,840,830.00 shall be allocated to teen centers as follows: \$90,000.00 base funding, and of the remaining funding 25% distributed on the number of users, 50% distributed on the number of visits, and 25% distributed on the number of services. This formula does not apply to the alternative models.

Sec. 1104. Before April 1, 2000, the department shall submit a report to the house and senate fiscal agencies on planned allocations from the amounts appropriated in part 1 for local MCH services, prenatal care outreach and service delivery support, family planning local agreements, and pregnancy prevention programs. Using applicable federal definitions, the report shall include information on all of the following:

- (a) Funding allocations.
- (b) Number of women, children, and/or adolescents expected to be served.
- (c) Actual numbers served and amounts expended in the categories described in subdivisions (a) to (b) for the fiscal year 1998-99.

Sec. 1105. For all programs for which an appropriation is made in part 1, the department shall contract with those local agencies best able to serve clients. Factors to be used by the department in evaluating agencies under this section shall include ability to serve high-risk population groups; ability to serve low-income clients, where applicable; availability of, and access to, service sites; management efficiency; and ability to meet federal standards, where applicable.

Sec. 1106. Each family planning program receiving federal title X family planning funds shall be in compliance with all performance and quality assurance indicators that the United States bureau of community health services specifies in the family planning annual report. An agency not in compliance with the indicators shall not receive supplemental or reallocated funds.

Sec. 1106a. (1) Federal abstinence money expended in part 1 for the purpose of promoting abstinence education shall provide abstinence education to teenagers most likely to engage in high risk behavior as their primary focus, and may include programs that include 9- to 17-year-olds. Programs funded must meet all of the following guidelines:

- (a) Teaches the gains to be realized by abstaining from sexual activity.
- (b) Teaches abstinence from sexual activity outside of marriage as the expected standard for all school age children.
- (c) Teaches that abstinence is the only certain way to avoid out-of-wedlock pregnancy, sexually transmitted diseases, and other health problems.
- (d) Teaches that a monogamous relationship in the context of marriage is the expected standard of human sexual activity.
- (e) Teaches that sexual activity outside of marriage is likely to have harmful effects.
- (f) Teaches that bearing children out of wedlock is likely to have harmful consequences.
- (g) Teaches young people how to avoid sexual advances and how alcohol and drug use increases vulnerability to sexual advances.
- (h) Teaches the importance of attaining self-sufficiency before engaging in sexual activity.

(2) Coalitions, organizations, and programs that do not provide contraceptives to minors and demonstrate efforts to include parental involvement as a means of reducing the risk of teens becoming pregnant shall be given priority in the allocations of funds.

(3) Programs and organizations that meet the guidelines of subsection (1) and criteria of subsection (2) shall have the option of receiving all or part of their funds directly from the department of community health.

Sec. 1107. Of the amount appropriated in part 1 for prenatal care outreach and service delivery support, not more than 10% shall be expended for local administration, data processing, and evaluation.

Sec. 1110. The funds appropriated in part 1 for pregnancy prevention programs shall not be used to provide abortion counseling, referrals, or services.

Sec. 1111. (1) From the amounts appropriated in part 1 for dental programs, funds shall be allocated to the Michigan dental association for the administration of a volunteer dental program that would provide dental services to the uninsured in an amount that is no less than the amount allocated to that program in fiscal year 1996-97.

(2) Not later than November 1, 1999, the department shall report to the senate and house appropriations subcommittees on community health and the senate and house standing committees on health policy the number of individual patients treated, number of procedures performed, and approximate total market value of those procedures through September 30, 1999.

Sec. 1113. Agencies that currently receive pregnancy prevention funds and either receive or are eligible for other family planning funds shall have the option of receiving all of their family planning funds directly from the department of community health and be designated as delegate agencies.

Sec. 1114. The department shall allocate no less than 86% of the funds appropriated in part 1 for family planning local agreements and the pregnancy prevention program for the direct provision of family planning/pregnancy prevention services.

Sec. 1117. From the funds appropriated for prenatal care outreach and service delivery support, the department shall allocate at least \$1,000,000.00 to communities with high infant mortality rates.

Sec. 1118. From the funds appropriated in part 1 for special projects, the department shall allocate no less than \$200,000.00 to provide education and outreach to targeted populations on the dangers of neonatal addiction and fetal alcohol syndrome and further develop its infant support services to target families with infants with fetal alcohol syndrome or suffering from drug addiction.

Sec. 1119. The availability of \$625,000.00 for laboratory services and \$284,300.00 for newborn screening follow-up and treatment services is contingent upon the enactment of legislation to increase the fee for the test required to be administered to a newborn infant by section 5431 of the public health code, 1978 PA 368, MCL 333.5431, and that fee increase taking effect.

Sec. 1121. From the funds appropriated in part 1 for special projects, the amount of \$450,000.00 shall be appropriated to Michigan State University, college of human medicine, as 1-time funding for the establishment of the state infant mortality review network to establish a process dedicated to the identification and examination of factors that contribute to infant death. The process shall consist of the systematic evaluation of individual cases to determine outcome variables to measure such factors as infant mortality rates, low birth rates, prematurity rates, tobacco, alcohol and drug abuse, teen pregnancy rates, and levels of prenatal care.

Sec. 1124. From the funds appropriated in part 1 for housing and support services, the department shall allocate \$500,000.00 to the youth commonwealth (Grand Rapids) and \$500,000.00 to the Lutheran home (Bay City).

#### **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

Sec. 1201. Funds appropriated in part 1 for medical care and treatment of children with special health care needs shall be paid according to reimbursement policies determined by the Michigan medical services program. Exceptions to these policies may be taken with the prior approval of the state budget director.

Sec. 1202. The department may do 1 or more of the following:

- (a) Provide special formula for eligible clients with specified metabolic and allergic disorders.
- (b) Provide medical care and treatment to eligible patients with cystic fibrosis who are 21 years of age or older.
- (c) Provide genetic diagnostic and counseling services for eligible families.
- (d) Provide medical care and treatment to eligible patients with hereditary coagulation defects, commonly known as hemophilia, who are 21 years of age or older.

Sec. 1203. All children who are determined medically eligible for the children's special health care services program shall be referred to the appropriate locally based services program in their community.

#### **OFFICE OF DRUG CONTROL POLICY**

Sec. 1251. The office of drug control policy is required to approve grants for the federal safe and drug free schools program within 90 days from the grant application submission deadline date.

Sec. 1252. From the amount appropriated in part 1 to the office of drug control policy, anti-drug abuse grants, \$200,000.00 shall be transferred to the department of education to fund the office of safe schools.

#### **CRIME VICTIM SERVICES COMMISSION**

Sec. 1301. The per diem amount authorized for the crime victim services commission is \$100.00.

#### **OFFICE OF SERVICES TO THE AGING**

Sec. 1401. The appropriation in part 1 to the office of services to the aging, for community and nutrition services and home services, shall be restricted to eligible individuals at least 60 years of age who fail to qualify for home care services under title XVIII, XIX, or XX of the social security act, chapter 531, 49 Stat. 620.

Sec. 1402. (1) The office of services to the aging may receive and expend funds in addition to those authorized in part 1 for the additional purposes described in this section.

(2) Money appropriated in part 1 for the Michigan pharmaceutical program shall be used to purchase generic medicine when available and medically practicable.

Sec. 1403. The office of services to the aging shall require each region to report to the office of services to the aging home delivered meals waiting lists based upon standard criteria. Determining criteria shall include all of the following:

- (a) The recipient's degree of frailty.
- (b) The recipient's inability to prepare his or her own meals safely.
- (c) Whether the recipient has another care provider available.
- (d) Any other qualifications normally necessary for the recipient to receive home delivered meals.

Sec. 1404. The office of services to the aging may receive and expend fees for the provision of day care, care management, and respite care. The office of services to the aging shall base the fees on a sliding scale taking into consideration the client income. The office of services to the aging shall use the fees to expand services.

Sec. 1405. The office of services to the aging may receive and expend Medicaid funds for care management services.

Sec. 1407. The office of services to the aging shall award contracts and distribute funds only to those projects that are cost effective, meet minimum operational standards, and serve the greatest number of eligible people.

Sec. 1408. The office of services to the aging shall provide that funds appropriated under this act shall be awarded on a local level in accordance with locally determined needs.



Sec. 1409. From unallocated escheat revenue used to fund respite care in the office of services to the aging, \$100,000.00 shall be used to fund the human development commission senior respite project.

Sec. 1411. The appropriation of \$5,000,000.00 of tobacco settlement funds to the office of services to the aging for the respite care program shall be allocated in accordance with a long-term care plan developed by the long-term care working group established in section 1637 of 1998 PA 336 upon implementation of the plan. The plan shall be implemented upon meeting the requirements of section 1657 of this act. The use of the funds shall be exclusively for direct respite care.

Sec. 1412. The appropriation of \$3,000,000.00 of tobacco settlement funds to the office of services to the aging for the long-term care advisor shall be allocated in accordance with a long-term care plan developed by the long-term care working group established in section 1637 of 1998 PA 336 upon implementation of the plan. The plan shall be implemented upon meeting the requirements of section 1657 of this act.

#### **MEDICAL SERVICES ADMINISTRATION**

Sec. 1501. The funds appropriated in part 1 for the Michigan essential health care provider program may also provide loan repayment for dentists that fit the criteria established by part 27 of the public health code, 1978 PA 368, MCL 333.2701 to 333.2727.

Sec. 1502. The department is directed to continue support of multicultural agencies which provide primary care services from the funds appropriated in part 1.

Sec. 1503. From the amounts appropriated in part 1 for palliative and hospice care, \$500,000.00 shall be allocated for education programs on and promotion of palliative care, hospice, and end of life care, and \$200,000.00 shall be allocated for a pilot project to assess long-term feasibility of paying the cost of room and board in hospice residences for low income individuals.

#### **MEDICAL SERVICES**

Sec. 1601. The department of community health shall provide an administrative procedure for the review of cost report grievances by medical services providers with regard to reimbursement under the medical services program. Settlements of properly submitted cost reports shall be paid not later than 9 months from receipt of the final report.

Sec. 1602. (1) For care provided to medical services recipients with other third-party sources of payment, medical services reimbursement shall not exceed, in combination with such other resources, including Medicare, those amounts established for medical services-only patients. The medical services payment rate shall be accepted as payment in full. Other than an approved medical services copayment, no portion of a provider's charge shall be billed to the recipient or any person acting on behalf of the recipient. Nothing in this section shall be deemed to affect the level of payment from a third-party source other than the medical services program. The department shall require a nonenrolled provider to accept medical services payments as payment in full.

(2) Notwithstanding subsection (1), medical services reimbursement for hospital services provided to dual Medicare/medical services recipients with Medicare Part B coverage only shall equal, when combined with payments for Medicare and other third-party resources, if any, those amounts established for medical services-only patients, including capital payments.

Sec. 1603. (1) Effective October 1, 1999, the pharmaceutical dispensing fee shall be \$3.72 or the usual or customary cash charge, whichever is less. If a Medicaid recipient is 21 years of age or older, the department shall require a \$1.00 per prescription copayment, except as prohibited by federal or state law or regulation.

(2) Subsequent to the implementation of an automated pharmacy claims adjudication system, the department shall conduct a study to determine what savings may be accruing to Medicaid pharmacy providers as a result of the establishment of this system. Based on the findings from that study, the department may make a recommendation to the legislature for an adjustment to the pharmacy dispensing fee.

Sec. 1604. (1) From the funds appropriated in part 1 for pharmaceutical services, the department shall use \$50,000.00 to assess the effectiveness of utilizing low cost community-based programs that deliver prescription medications to homebound or frail elderly recipients.

(2) After identifying at least 1 existing delivery model, based on the specified criteria in subsection (1), the department may measure elements such as the elapsed time between when a prescription is ordered and when the recipient actually receives the medication, whether the existence of the delivery system increases the timeliness of obtaining refills, if a variable subsidy affects the ability of the delivery system to expand the number of elderly persons that it serves, and any other factors that may be relevant to this assessment.

(3) The department shall provide a preliminary report on its findings to the members of the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies, no later than May 1, 2000.

Sec. 1605. The cost of remedial services incurred by residents of licensed adult foster care homes and licensed homes for the aged shall be used in determining financial eligibility for the medically needy. Remedial services include basic self-care and rehabilitation training for a resident.

Sec. 1606. Medicaid adult dental services, podiatric services, and chiropractic services shall continue at not less than the level in effect on October 1, 1996, except that reasonable utilization limitations may be adopted in order to prevent

excess utilization. The department shall not impose utilization restrictions on chiropractic services unless a recipient has exceeded 18 office visits within 1 year.

Sec. 1607. The department shall require copayments on dental, podiatric, chiropractic, vision, and hearing aid services provided to Medicaid recipients, except as prohibited by federal or state law or regulation.

Sec. 1609. (1) From the funds appropriated in part 1 for the indigent medical care program, the department shall establish a program which provides for the basic health care needs of indigent persons as delineated in the following subsections.

(2) Eligibility for this program is limited to the following:

(a) Persons currently receiving cash grants under either the family independence program or state disability assistance programs who are not eligible for any other public or private health care coverage.

(b) Any other resident of this state who currently meets the income and asset requirements for the state disability assistance program and is not eligible for any other public or private health care coverage.

(3) All potentially eligible persons, except those defined in subsection (2)(a), who shall be automatically enrolled, may apply for enrollment in this program at local family independence agency offices or other designated sites.

(4) The program shall provide for the following minimum level of services for enrolled individuals:

(a) Physician services provided in private, clinic, or outpatient office settings.

(b) Diagnostic laboratory and x-ray services.

(c) Pharmaceutical services.

(5) Notwithstanding subsection (2)(b), the state may continue to provide nursing facility coverage, including medically necessary ancillary services, to individuals categorized as permanently residing under color of law and who meet either of the following requirements:

(a) The individuals were medically eligible and residing in such a facility as of August 22, 1996 and qualify for emergency medical services.

(b) The individuals were Medicaid eligible as of August 22, 1996, and admitted to a nursing facility before a new eligibility determination was conducted by the family independence agency.

Sec. 1611. (1) The department may require medical services recipients residing in counties offering managed care options to choose the particular managed care plan in which they wish to be enrolled. Persons not expressing a preference may be assigned to a managed care provider.

(2) Persons to be assigned a managed care provider shall be informed in writing of the criteria for exceptions to capitated managed care enrollment, their right to change health plans for any reason within the initial 30 days of enrollment, the toll-free telephone number for problems and complaints, and information regarding grievance and appeals rights.

(3) The criteria for medical exceptions to qualified health plans shall be based on submitted documentation that indicates a recipient has a serious medical condition, and is undergoing active treatment for that condition with a physician who does not participate in 1 of the qualified health plans. If the person meets the criteria established by this subsection, the department shall grant an exception to mandatory enrollment at least through the current prescribed course of treatment, subject to periodic review of continued eligibility.

Sec. 1612. (1) The department shall not preauthorize single-source pharmaceutical products except:

(a) Those single-source pharmaceutical products that have been subject to prior authorization by the department prior to January 1, 1992.

(b) Those single-source pharmaceuticals within the categories specified in section 1927(d)(2) of title XIX of the social security act, 42 U.S.C. 1396r-8, or for the reasons delineated in section 1927(d)(3) of title XIX of the social security act, 42 U.S.C. 1396r-8.

(c) Those pharmaceutical products related to the treatment of sexual dysfunction.

(d) Those pharmaceutical products that do not have a medically accepted indication. As used in this subdivision, "medically accepted indication" means any use of a covered outpatient drug that is approved under the federal food, drug, and cosmetic act, that appears in peer reviewed medical literature, or that is accepted by 1 or more of the following compendia: the American hospital formulary service-drug information, the American medical association drug evaluations, the United States pharmacopeia-drug information, or the drugdex information system.

(2) The department may implement prospective drug utilization review and disease management systems. The prospective drug utilization review and disease management systems authorized by this subsection shall have physician oversight, shall focus on patient, physician, and pharmacist education, and shall be developed in consultation with the national pharmaceutical council, Michigan state medical society, Michigan association of osteopathic physicians, Michigan pharmacists' association, Michigan partner for patient advocacy, and Michigan nurses' association.

(3) The department shall continue the process of developing and implementing the automated pharmacy claims adjudication and prospective drug utilization review system and disease management system. The department shall provide bimonthly reports to the members of the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies on the progress of the development and implementation of this system.

Sec. 1613. The department may implement a mail-order pharmacy program for the noncapitated portion of the Medicaid program after a study by the department is submitted to the house and senate appropriations subcommittees on community health and after the repeal of section 17763(a) of the public health code, 1978 PA 368, MCL 333.17763.

Sec. 1614. (1) The department shall assure that all Medicaid children have timely access to early and periodic screening, diagnosis, and treatment (EPSDT) services as required by federal law. Medicaid managed care plans will provide EPSDT services in accordance with EPSDT policy. Requirements for objective hearing and vision screening may be met by referral to local health departments.

(2) The primary responsibility of assuring a child's hearing and vision screening is with the child's primary care provider. The primary care provider will provide age appropriate screening or arrange for these tests through referrals to local health departments. Local health departments shall provide preschool hearing and vision screening services and accept referrals for these tests from physicians or from Head Start programs in order to assure all preschool children have appropriate access to hearing and vision screening. Local health departments will be reimbursed for the cost of providing these tests for Medicaid eligible children by the Medicaid program.

Sec. 1615. (1) The department of community health is authorized to pursue reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department and the state budget director are authorized to negotiate and enter into agreements, together with the department of education, with local and intermediate school districts regarding the sharing of federal Medicaid services funds received for these services. The department is authorized to receive and disburse funds to participating school districts pursuant to such agreements and state and federal law.

(2) From the funds appropriated in part 1 for medical services school services payments, the department is authorized to do all of the following:

(a) Finance activities within the medical services administration related to this project.

(b) Reimburse participating school districts pursuant to the fund sharing ratios negotiated in the state-local agreements authorized in subsection (1).

(c) Offset general fund costs associated with the medical services program.

Sec. 1616. The special medical services payments appropriation in part 1 may be increased if the department submits a medical services state plan amendment pertaining to this line item at a level higher than the appropriation. The department is authorized to appropriately adjust financing sources in accordance with the increased appropriation.

Sec. 1617. The department of community health shall obtain patient-based utilization data from those qualified health plans with which the department contracts. The data shall include immunizations, early and periodic screenings, diagnoses, and treatments, blood lead level testing, and maternal and infant support services. The department shall submit annual reports on patient-based utilization data to the members of the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, the state budget director, and the director of each local health department.

Sec. 1618. It is the intent of the legislature that payment increases for enhanced wages and new or enhanced employee benefits shall be provided to those facilities that make application for it to fund the Medicaid program share of wage and employee benefit increases up to the equivalent of 75 cents per employee hour. Employee benefits shall include, but are not limited to, health benefits, retirement benefits, and quality of life benefits such as day care services. Nursing facilities shall be required to document that these wage and benefit increases were actually provided.

Sec. 1619. Medical services shall be provided to elderly and disabled persons with incomes less than or equal to 100% of the official poverty line, pursuant to the state's option to elect such coverage set out at section 1902(a)(10)(A)(ii) and (m) of title XIX of the social security act, chapter 531, 49 Stat. 620, 42 U.S.C. 1396a.

Sec. 1620. The department may fund home and community-based services in lieu of nursing home services, for individuals seeking long-term care services, from the nursing home or personal care in-home services line items.

Sec. 1621. The department of community health shall distribute \$695,000.00 to children's hospitals that have a high indigent care volume. The amount to be distributed to any given hospital shall be based on a formula determined by the department of community health.

Sec. 1622. (1) The department shall implement enforcement actions as specified in the nursing facility enforcement provisions of section 1919 of title XIX of the social security act, chapter 531, 49 Stat. 620, 42 U.S.C. 1396r.

(2) The department is authorized to receive and spend penalty money received as the result of noncompliance with medical services certification regulations. Penalty money, characterized as private funds, received by the department shall increase authorizations and allotments in the long-term care accounts.

(3) Any unexpended penalty money, at the end of the year, shall carry forward to the following year.

Sec. 1624. (1) Medical services patients who are enrolled in qualified health plans or capitated clinic plans have the choice to elect hospice services or other services for the terminally ill that are offered by the qualified health plan or clinic plan. If the patient elects hospice services, those services shall be provided in accordance with part 214 of the public health code, 1978 PA 368, MCL 333.21401 to 333.21420.

(2) The department shall not amend the medical services hospice manual in a manner that would allow hospice services to be provided without making available all comprehensive hospice services described in 42 C.F.R. part 418.

Sec. 1626. (1) From the funds appropriated in part 1, the department, subject to the requirements and limitations in this section, shall establish a funding pool of up to \$44,012,800.00 for the purpose of enhancing the aggregate payment for medical services hospital services.

(2) For a county with a population of more than 2,000,000 people, the department shall distribute \$44,012,800.00 to hospitals if \$15,026,700.00 is received by the state from such a county, which meets the criteria of an allowable state matching share as determined by applicable federal laws and regulations. If the state receives a lesser sum of an allowable state matching share from such a county, the amount distributed shall be reduced accordingly.

(3) The department may establish county-based, indigent health care programs that are at least equal in eligibility and coverage to the fiscal year 1996 state medical program.

(4) The department is authorized to establish similar programs in additional counties if the expenditures for the programs do not increase state general fund/general purpose costs and local funds are provided.

(5) If a locally administered indigent health care program replaces the state medical program authorized by section 1609 for a given county on or before October 1, 1998, the state general fund/general purpose dollars allocated for that county under this section shall not be less than the general fund/general purpose expenditures for the state medical program in that county in the previous fiscal year.

Sec. 1627. An institutional provider that is required to submit a cost report under the medical services program shall submit cost reports completed in full within 5 months after the end of its fiscal year.

Sec. 1634. (1) The department may establish a program for persons to purchase medical coverage at a rate determined by the department.

(2) The department may receive and expend premiums for the buy-in of medical coverage in addition to the amounts appropriated in part 1.

(3) The premiums described in this section shall be classified as private funds.

Sec. 1635. Implementation and contracting for managed care by Medicaid plans to the department are subject to the following conditions:

(a) Continuity of care is assured by allowing enrollees to continue receiving required medically necessary services from their current providers for a period not to exceed 1 year if enrollees meet the managed care medical exception criteria.

(b) A contract for an independent evaluation is in place to measure cost, access, quality, and patient satisfaction.

(c) The department shall require contracted health plans to submit data determined necessary for the evaluation on a timely basis.

(d) A health plans advisory council is functioning which meets all applicable federal and state requirements for a medical care advisory committee. The council shall review at least quarterly the implementation of the department's managed care plans.

(e) Mandatory enrollment is prohibited until there are at least 2 qualified health plans with the capacity to adequately serve each geographic area affected. Exceptions may be considered in areas where at least 85% of all area providers are in 1 plan.

(f) Enrollment of recipients of children's special health care services in qualified health plans shall be voluntary during fiscal year 1999-2000.

(g) The department shall develop a case adjustment to its rate methodology that considers the costs of persons with HIV/AIDS, end stage renal disease, organ transplants, epilepsy, and other high-cost diseases or conditions and shall implement the case adjustment when it is proven to be actuarially and fiscally sound. Implementation of the case adjustment must be budget neutral.

Sec. 1637. (1) Medicaid qualified health plans shall establish an ongoing internal quality assurance program for health care services provided to Medicaid recipients which includes:

(a) An emphasis on health outcomes.

(b) Establishment of written protocols for utilization review based on current standards of medical practice.

(c) Review by physicians and other health care professionals of the process followed in the provision of such health care services.

(d) Evaluation of the continuity and coordination of care that enrollees receive.

(e) Mechanisms to detect overutilization and underutilization of services.

(f) Actions to improve quality and assess the effectiveness of such action through systematic follow-up.

(g) Provision of information on quality and outcome measures to facilitate enrollee comparison and choice of health coverage options.

(h) Ongoing evaluation of the plans' effectiveness.

(i) Consumer involvement in the development of the quality assurance program and consideration of enrollee complaints and satisfaction survey results.

(2) Medicaid qualified health plans shall apply for accreditation by an appropriate external independent accrediting organization requiring standards recognized by the department once those plans have met the application requirements. The state shall accept accreditation of a plan by an approved accrediting organization as proof that the plan meets some

or all of the state's requirements, if the state determines that the accrediting organization's standards meet or exceed the state's requirements.

(3) Medicaid qualified health plans shall report encounter data, including data on inpatient and outpatient hospital care, physician visits, pharmaceutical services, and other services specified by the department.

(4) Medicaid qualified health plans shall assure that all covered services are available and accessible to enrollees with reasonable promptness and in a manner which assures continuity. Medically necessary services shall be available and accessible 24 hours a day and 7 days a week. Health plans shall continue to develop procedures for determining medical necessity which may include a prior authorization process.

(5) Medicaid qualified health plans shall provide for reimbursement of plan covered services delivered other than through the plan's providers if medically necessary and approved by the plan, immediately required, and which could not be reasonably obtained through the plan's providers on a timely basis. Such services shall be deemed approved if the plan does not respond to a request for authorization within 24 hours of the request. Reimbursement shall not exceed the Medicaid fee-for-service payment for such services.

(6) Medicaid qualified health plans shall provide access to appropriate providers, including qualified specialists for all medically necessary services.

(7) Medicaid qualified health plans shall provide the department with a demonstration of the plan's capacity to adequately serve the plan's expected enrollment of Medicaid enrollees.

(8) Medicaid qualified health plans shall provide assurances to the department that it will not deny enrollment to, expel, or refuse to reenroll any individual because of the individual's health status or need for services, and that it will notify all eligible persons of such assurances at the time of enrollment.

(9) Medicaid qualified health plans shall provide procedures for hearing and resolving grievances between the plan and members enrolled in the plan on a timely basis.

(10) Medicaid qualified health plans shall meet other standards and requirements contained in state laws, administrative rules, and policies promulgated by the department. The department may establish alternative standards and requirements that specify financial safeguards for organizations not otherwise covered by existing law which assure that the organization has the ability to accept financial risk.

(11) Medicaid qualified health plans shall develop written plans for providing nonemergency medical transportation services funded through supplemental payments made to the plans by the department, and shall include information about transportation in their member handbook.

Sec. 1638. From the funds appropriated in part 1 for health plan services, the department may contract for the assessment of quality in qualified health plans which enroll Medicaid recipients. Organizations providing such quality reviews shall meet the requirements of the department and include the following functions:

- (a) Review of plan performance based on accepted quality performance criteria.
- (b) Utilization of quality indicators and standards developed specifically for the Medicaid population.
- (c) Promote accountability for improved plan performance.

Sec. 1640. (1) The department may require a 12-month lock-in to the qualified health plan selected by the recipient during the initial and subsequent open enrollment periods, but allow for good cause exceptions during the lock-in period.

(2) Medicaid recipients shall be allowed to change health plans for any reason within the initial 90 days of enrollment.

Sec. 1641. (1) The department shall provide an expedited complaint review procedure for Medicaid eligible persons enrolled in qualified health plans for situations where failure to receive any health care service would result in significant harm to the enrollee.

(2) The department shall provide for a toll-free telephone number for Medicaid recipients enrolled in managed care to assist with resolving problems and complaints. If warranted, the department shall immediately disenroll persons from managed care and approve fee-for-service coverage.

(3) Semiannual reports summarizing the problems and complaints reported and their resolution shall be provided to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the department's health plans advisory council.

Sec. 1642. The department shall require the enrollment contractor to provide beneficiary services. These services shall include:

- (a) Contacting eligible Medicaid beneficiaries.
- (b) Providing education on managed care.
- (c) Providing information through a toll-free number regarding available health plans and their primary care providers available in the Medicaid beneficiaries area.
- (d) Entering the beneficiaries health plan choice in the information system for communication to the state and the health plan, written notification to the beneficiary regarding their health plan choice, and notice of their right to change plans consistent with federal guidelines.
- (e) Guiding beneficiaries through both health plan and state complaint and fair hearing processes, including helping the beneficiary fill out required forms.

(f) Being available to attend a hearing with a beneficiary if requested by the beneficiary to provide objective information regarding events that have occurred pertinent to the beneficiary.

Sec. 1643. (1) The department may provide services to medical assistance recipients under a risk sharing capitation arrangement, through contracts with provider-sponsored networks, health maintenance organizations, and other organizations. The department shall award contracts under the program at least every 5 years based on a competitive bidding process. The following provisions shall be considered in any program:

(a) In determining eligible contractors, the department shall consider provider-sponsored networks, health maintenance organizations, and other organizations. All eligible contractors shall meet the same standards for quality, access, benefits, financial, and organizational capability.

(b) The department may make separate payments directly to qualifying hospitals serving a disproportionate share of indigent patients, and to hospitals providing graduate medical education training programs. If direct payment for GME and DSH is made to qualifying hospitals for services to Medicaid clients, hospitals will not include GME costs or DSH payments in their contracts with HMOs.

(2) Whenever economic and feasible, the department shall give preference to programs that provide a choice of qualified contractors and at least an annual open enrollment in the program.

Sec. 1644. The mother of an unborn child shall be eligible for medical services benefits for herself and her child if all other eligibility factors are met. To be eligible for these benefits, the applicant shall provide medical evidence of her pregnancy. If she is unable to provide the documentation, payment for the examination may be at state expense. The department of community health shall undertake such measures as may be necessary to ensure that necessary prenatal care is provided to medical services eligible recipients.

Sec. 1645. (1) The protected income level for Medicaid coverage determined pursuant to section 106(1)(b)(iii) of the social welfare act, 1939 PA 280, MCL 400.106, shall be 100% of the related public assistance standard.

(2) The department shall notify the senate and house appropriations subcommittees on community health of any proposed revisions to the protected income level for Medicaid coverage related to the public assistance standard 90 days prior to implementation.

Sec. 1646. For the purpose of guardian and conservator charges, the department of community health may deduct up to \$60.00 per month as an allowable expense against a recipient's income when determining medical services eligibility and patient pay amounts.

Sec. 1656. The department shall promote activities that preserve the dignity and rights of terminally ill and chronically ill individuals. Priority shall be given to programs, such as hospice, that focus on individual dignity and quality of care provided persons with terminal illness and programs serving persons with chronic illnesses that reduce the rate of suicide through the advancement of the knowledge and use of improved, appropriate pain management for these persons; and initiatives that train health care practitioners and faculty in managing pain, providing palliative care and suicide prevention.

Sec. 1657. The long-term care working group established in section 1637 of 1998 PA 336 shall continue to exist until the long-term care working group has completed its work on a written long-term care plan. The department shall not implement a long-term care plan until the expiration of 24 days during which at least 1 house of the legislature convenes after, the long-term care working group has submitted the written long-term care plan to the senate majority leader, the speaker of the house, the senate and house appropriations subcommittees on community health, and the state budget director.

Sec. 1659. From the amounts appropriated in part 1 for hospital services, the department shall allocate for graduate medical education no less than was allocated for graduate medical education in fiscal year 1998-99.

Sec. 1660. The following sections are the only ones which shall apply to the following Medicaid managed care programs, including the comprehensive plan, children's special health care services plan, MI Choice long-term care plan, and the mental health, substance abuse, and developmentally disabled services program: 218, 235, 402, 407, 424, 426, 1611, 1614, 1624, 1635, 1637, 1638, 1640, 1641, 1642, 1643, 1662, 1663, 1690, 1691, 1692, and 1693.

Sec. 1662. (1) The department shall include provision in the contracts with health plans for full responsibility for well child visits and maternal and infant support services as described in Medicaid policy. This responsibility will also be included in the information distributed by the health plans to the members.

(2) The department shall develop and implement a budget neutral enrollment based incentive program to encourage qualified health plans to improve infant and children's health outcomes by improving access to maternal and infant support services (MSS/ISS) and to well child examinations. Qualified health plans with the most improved performance will be eligible for automatic beneficiary enrollment and those plans who fail to improve will be ineligible for new enrollment. Qualified health plans will refund to the department any unexpended MSS/ISS capitation below the fee for service equivalent MSS/ISS capitation in fiscal year 1996-97.

(3) Maternal and infant support services shall continue to be provided through state certified providers.

Sec. 1663. The department shall continue a work group on EPSDT and maternal and infant support services. The work group shall be made up of consumers, advocates, health care providers, and health plan representatives. The work group shall, at a minimum, establish an outreach program to educate providers on the requirements of EPSDT

screening, and advise the department on providing targeted assistance to health plans that are screening less than 60% of the child members that are eligible for EPSDT services and recommend strategies to improve access to maternal and infant support services.

Sec. 1670. (1) The appropriation in part 1 for the MICHild program is to be used to provide comprehensive health care to all children under age 19 who reside in families with income at or below 200% of the federal poverty level, who are uninsured and have not had coverage by other comprehensive health insurance within 6 months of making application for MICHild benefits, and who are residents of this state. The department shall develop detailed eligibility criteria through the medical services administration public concurrence process, consistent with the provisions of this act. Health care coverage for children in families below 150% of the federal poverty level shall be provided through expanded eligibility under the state's Medicaid program. Health coverage for children in families between 150% and 200% of the federal poverty level shall be provided through a state-based private health care program.

(2) The department shall enter into a contract to obtain MICHild services from any health maintenance organization, dental care corporation, or any other entity that offers to provide the managed health care benefits for MICHild services at the MICHild capitated rate. As used in this subsection:

(a) "Dental care corporation", "health care corporation", "insurer", and "prudent purchaser agreement" mean those terms as defined in section 2 of the prudent purchaser act, 1984 PA 233, MCL 550.52.

(b) "Entity" means a health care corporation or insurer operating in accordance with a prudent purchaser agreement.

(3) The department may enter into contracts to obtain certain MICHild services from community mental health service programs.

(4) The department may make payments on behalf of children enrolled in the MICHild program from the line-item appropriation associated with the program as described in the MICHild state plan approved by the United States department of health and human services, or from other medical services line-item appropriations providing for specific health care services.

Sec. 1673. From the funds appropriated in part 1, the department shall develop a comprehensive approach to the marketing and outreach of the MICHild program. The marketing and outreach required under this section shall be coordinated with current outreach, information dissemination, and marketing efforts and activities conducted by the department.

Sec. 1674. The department may provide up to 1 year of continuous eligibility to a family made eligible for the MICHild program unless the family's status changes and its members no longer meet the eligibility criteria as specified in the federally approved MICHild state plan.

Sec. 1676. The department may establish premiums for MICHild eligible persons in families with income above 150% of the federal poverty level. The monthly premiums shall not exceed \$5.00 for a family.

Sec. 1677. The department shall not require copayments under the MICHild program.

Sec. 1678. Families whose category of eligibility changes between the Medicaid and MICHild programs shall be assured of keeping their current health care providers through the current prescribed course of treatment for up to 1 year, subject to periodic reviews by the department if the beneficiary has a serious medical condition and is undergoing active treatment for that condition.

Sec. 1681. To be eligible for the MICHild program, a child must be residing in a family with an adjusted gross income of less than or equal to 200% of the federal poverty level. The parent's income, including stepparents' income when living with the child, or other responsible relative's income is to be used. The department's verification policy shall be used to determine eligibility.

Sec. 1682. The MICHild program shall provide all benefits available under the state employee insurance plan that are delivered through the qualified health plans and consistent with federal law, including but not limited to the following medically necessary services:

(a) Inpatient mental health services, other than substance abuse treatment services, including services furnished in a state-operated mental hospital and residential or other 24-hour therapeutically planned structured services.

(b) Outpatient mental health services, other than substance abuse services, including services furnished in a state-operated mental hospital and community-based services.

(c) Durable medical equipment and prosthetic and orthotic devices.

(d) Dental services as outlined in the approved MICHild state plan.

(e) Substance abuse treatment services that may include inpatient, outpatient, and residential substance abuse treatment services.

(f) Care management services for mental health diagnoses.

(g) Physical therapy, occupational therapy, and services for individuals with speech, hearing, and language disorders.

(h) Emergency ambulance services.

Sec. 1686. The department shall make available to health care providers a pamphlet identifying patient rights and responsibilities described in section 20201 of the public health code, 1978 PA 368, MCL 333.20201.

Sec. 1687. All nursing home rates, class I and class III, must have their respective fiscal year rate set 30 days prior to the beginning of their rate year. Rates may take into account the most recent cost report prepared and certified by the preparer, provider corporate owner or representative as being true and accurate, and filed timely, within 5 months of the fiscal year end in accordance with Medicaid policy. If the audited version of the last report is available, it shall be used. Any rate factors based on the filed cost report may be retroactively adjusted upon completion of the audit of that cost report.

Sec. 1690. (1) Reimbursement for medical services to screen and stabilize a Medicaid recipient in a hospital emergency room shall not be made contingent on obtaining prior authorization from the recipient's qualified health plan. If the recipient is discharged from the emergency room, the hospital shall notify the recipient's qualified health plan within 24 hours of the diagnosis and treatment received.

(2) If the treating hospital determines that the recipient will require further medical service or hospitalization beyond the point of stabilization, that hospital must receive authorization from the recipient's qualified health plan prior to admitting the recipient.

(3) Subsections (1) and (2) shall not be construed as a requirement to alter an existing agreement between a qualified health plan and their contracting hospitals nor as a requirement that a qualified health plan must reimburse for services that are not deemed to be medically necessary.

(4) The department shall immediately convene a work group for the purpose of recommending reasonable Medicaid reimbursement rates for hospital emergency room services, which may include differential rates based on emergency room discharge diagnoses.

(5) The work group shall include, at a minimum, representatives from the Michigan association of health plans, qualified health plans, the Michigan hospital association, and the American college of emergency physicians.

(6) This work group shall also be charged with developing educational materials for the purpose of assisting Medicaid recipients in understanding when an emergency room visit may be appropriate and when other alternatives should be used.

(7) Every 2 months, the department shall provide reports to members of the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies as to the progress being made toward developing reimbursement rates as specified in subsection (4). If a consensus plan is not developed by March 31, 2000, the department shall report to the senate and house as to the reasons why a consensus could not be reached and what other options may be available to address this issue.

Sec. 1691. (1) It is the intent of the legislature that a uniform Medicaid billing form be developed by the department in consultation with affected Medicaid providers. Every 2 months, the department shall provide reports to members of the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies on the progress of this initiative.

(2) Until such time as a uniform billing form is developed and implemented, the following shall apply to Medicaid qualified health plans:

(a) If a billing form is received by a qualified health plan with a noncorrectable error, the qualified health plan shall return the form within 10 days to the billing provider with plain language instructions as to what items need to be corrected.

(b) If a qualified health plan fails to provide reimbursement for at least 90% of its clean claims within 30 days of receipt, the qualified health plans shall be subject to an interest charge based on the value of the unpaid claims. Interest shall be paid at the rate specified in section 3902(a) of title 31 of the United States Code, 31 U.S.C. 3902. As used in this subdivision, "clean claim" means a claim that has no defect or impropriety, including lack of required substantiating documentation for noncontracting providers and suppliers, or particular circumstances requiring special treatment that prevents timely payment from being made on the claim.

(c) If a qualified health plan has followed the procedure specified in subdivision (a), the required time for reimbursement does not begin until a corrected billing form has been received.

(d) A Medicaid provider that submits a duplicate of a claim that has been denied or returned with notice that it is incomplete or incorrect shall be subject to a service charge for each duplicate claim, in an amount determined by the department, if the duplicate claim is submitted without completion, correction, or further information that addresses the denial or return.

(3) The department shall hold regular Medicaid billing seminars targeted to both qualified health plans and Medicaid providers. The number and locations of these seminars should be sufficient to provide reasonable access to qualified health plans and Medicaid providers throughout the state. The department shall provide quarterly reports to the members of the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies on the number of seminars, their content and location, and the number of persons attending these seminars.

Sec. 1692. (1) The department shall do or demonstrate that it has accomplished all of the following concerning the provision of early and periodic screening, diagnosis, and treatment (EPSDT) and maternal and infant support services (MSS/ISS):



(a) Before October 1, 1999, in consultation with the Michigan association of health plans, representatives of qualified health plans, the Michigan association of local public health, the Michigan state medical society, the Michigan chapter of the American academy of pediatrics, and the Michigan association of osteopathic physicians, develop uniform service definitions for EPSDT services, MSS/ISS referral, and MSS/ISS screening and services; uniform criteria for referral for MSS/ISS screening; and uniform standards for MSS/ISS screening and services content.

(b) Explore the feasibility of developing a uniform encounter form for EPSDT services, MSS/ISS referral, and MSS/ISS screening and services.

(c) Require each qualified health plan to evaluate 100% of pregnant Medicaid enrollees for possible MSS/ISS screening referral during the initial pregnancy services visit, using uniform screening and referral criteria.

(d) Require each qualified health plan to notify the department and the appropriate local health department of all MSS/ISS screening referrals, and require all MSS/ISS screening and service providers to notify the department and the appropriate local health department of Medicaid clients who fail to keep MSS/ISS appointments.

(e) Prohibit qualified health plans from requiring prior authorization for their contracted providers for any EPSDT screening and diagnostic service, for MSS/ISS screening referral, or for up to 3 MSS/ISS service visits.

(f) Coordinate the provision of MSS/ISS services with the women, infants, and children supplemental nutrition (WIC) program, state supported substance abuse, smoking prevention, and violence prevention programs, the family independence agency, and any other state or local program with a focus on preventing adverse birth outcomes and child abuse and neglect.

(2) The department shall require the external quality review contractor required under section 1638 to conduct a statistically significant sampling of the health records of Medicaid eligible clients of all qualified health plans for the following information:

(a) The number of Medicaid enrollees under age 19.

(b) The number of Medicaid enrollees receiving at least 1 EPSDT service.

(c) The number and type of EPSDT services rendered.

(d) The immunization status of each EPSDT eligible enrollee who is seen by a plan provider.

(e) The number of enrollees receiving blood lead screening.

(f) The number of referrals to local health departments for blood lead screening, immunization, or objective hearing and vision screening services.

(g) The number of pregnant Medicaid enrollees.

(h) The number of referrals for MSS/ISS assessment.

(i) The number of MSS/ISS assessments performed.

(j) The number and description of MSS/ISS visits or services delivered.

(k) The number of prenatal visits per pregnant enrollee.

(l) Fetal or infant death, birth weight, and infant morbidity data for Medicaid enrollees.

(3) The department shall compile and report the information required in subsection (2) to the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director no later than February 1, 2000.

Sec. 1693. The department shall allocate the funds appropriated in part 1 for EPSDT and maternal and infant support services outreach to qualified health plans for the purpose of contracting with local health departments to provide outreach services to Medicaid qualified health plan enrollees for whom the local health department has received notification of referral for MSS/ISS or EPSDT services, or failure to keep EPSDT or MSS/ISS appointments. Each local health department shall immediately notify the department of all Medicaid eligible individuals it has identified who are not enrolled in a Medicaid qualified health plan.

Sec. 1694. (1) By October 1, 2000, the department shall implement procedures for claims processing that use or accept a standard scannable form for dental claims.

(2) By October 1, 2000, the department shall implement procedures for claims processing that allow participating dental providers to submit claims for reimbursement for covered dental services using the American dental association's "code on dental procedures and nomenclature" as contained in the latest edition of the American dental association's publication "current dental terminology".

(3) By October 1, 2001, the department shall implement procedures for claims processing that allow participating dental providers to submit claims electronically.

Sec. 1695. (1) It is the intent of the legislature to establish an elder prescription insurance coverage program, referred to in this section as the EPIC program. The guiding principles of this program are all of the following:

(a) To enhance access to prescription medications for low income elderly residents of this state

(b) To make that access meaningful by reducing the cost to senior citizens to obtain prescription medications.

(c) To assist the elderly in understanding how prescription medications can be beneficial in treating diseases, illnesses, and conditions that are more prevalent in the aged.

(d) To provide the means by which those persons who prescribe and dispense prescription medications for the elderly are better able to recognize those prescription situations in which combinations of new and/or existing drugs, or other factors, could result in an adverse drug interaction in an elderly person.

(e) The program developed pursuant to this section is not an entitlement and benefits are limited to the level supported by the funding explicitly appropriated in this or subsequent acts.

(2) In furthering these guiding principles, the operational parameters of the EPIC program shall include at least all of the following:

(a) Limiting eligibility to Michigan residents who are over the age of 64, who have household incomes at or below 200% of poverty, and who are not eligible for Medicaid.

(b) Establishing variable premium rates based on a percentage of household income, which rate shall be not more than 5% of household income if household income is 200% of poverty and shall be zero if household income is 100% or less of poverty.

(c) A mechanism, such as limiting the number of policies sold, to ensure that expenditures do not exceed available revenue.

(3) The EPIC program shall not be implemented until after an automated pharmacy claims adjudication and prospective drug utilization review system is operational.

(4) The EPIC program shall not be implemented until section 273 of the income tax act of 1967, 1967 PA 281, MCL 206.273, is repealed.

Sec. 1696. The department shall convene a work group consisting of the department director and the chairpersons of the house and senate appropriations subcommittees on community health. The work group shall consult with representatives of rural hospitals and develop a plan for allocating the funds appropriated in part 1 for rural health initiatives. The work group shall submit its plan to the legislature by October 1, 1999.

Sec. 1697. The funds appropriated in part 1 for hospital services and therapy increases shall be distributed to hospitals as an outpatient fee adjustor payment in proportion to each hospital's Medicaid and indigent patients. A separate adjustor pool will be created for rural hospitals, including sole community providers and a separate pool shall be created for urban hospitals. One-half of the increase in appropriation shall be allocated to the rural hospitals and 1/2 shall be allocated to urban hospitals.

Sec. 1698. From the funds appropriated in part 1 for auxiliary medical services, dental fees shall be increased 4%. In addition, \$9,913,100.00 shall be used to fund projects that increase Medicaid dental capacity, especially in rural areas of the state, and at least \$1,000,000.00 shall be used to increase Medicaid dental capacity in federally qualified health centers.

Sec. 1699. From the funds appropriated in part 1 for physician services, fee increases shall be distributed to primary care practitioners who serve a disproportionate share of Medicaid patients.

Sec. 1700. The appropriation of \$10,000,000.00 of tobacco settlement funds for long-term care innovations grants shall be allocated as 1-time funding in accordance with a long-term care plan developed by the long-term care working group established in section 1637 of 1998 PA 336 upon implementation of the plan. The plan shall be implemented upon meeting the requirements of section 1657 of this act.

PART 2A

PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 1998-1999

**GENERAL SECTIONS**

Sec. 2101. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources in part 1A of this appropriation act is \$9,440,600.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF COMMUNITY HEALTH

COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS

Community mental health programs.....	\$	19,984,600
Total of payments to local units of government .....	\$	19,984,600

**COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS**

Sec. 2102. The state budget director and the house and senate fiscal agencies shall coordinate an actuarial assessment of the appropriateness of the fiscal year 1998-99 community mental health Medicaid capitation rates.

PART 2B

PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2000-2001

**GENERAL SECTIONS**

Sec. 2201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources in part 1B of this appropriation act is \$967,888,200.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF COMMUNITY HEALTH

MEDICAL SERVICES

Hospital services and therapy.....	\$	17,559,300
------------------------------------	----	------------

Physician services .....	5,305,100
Health plan services .....	54,575,700
Total payments to local units of government.....	\$ <u>77,440,100</u>

**MEDICAL SERVICES**

Sec. 2202. From the funds appropriated in part 1B for health plan services, the department shall increase capitation rates payable to qualified health plans by 4% effective October 1, 2000.

Sec. 2203. From the funds appropriated in part 1B for hospital services and therapy and for physician services, the department shall increase payment rates by 4% effective October 1, 2000.

Second: That the House and Senate agree to the title of the bill to read as follows:

A bill to make appropriations for the department of community health and certain state purposes related to mental health, public health, and medical services for the fiscal years ending September 30, 1999, September 30, 2000, and September 30, 2001; to provide for the expenditure of those appropriations; to create funds; to require and provide for reports; to prescribe the powers and duties of certain local and state agencies and departments; to provide for disposition of fees and other income received by the various state agencies; and to repeal acts and parts of acts.

Terry Geiger  
 Mark Jansen  
 Lynne Martinez  
 Conferees for the House

Joel Gougeon  
 John J.H. Schwarz, M.D.  
 Robert L. Emerson  
 Conferees for the Senate

The Speaker announced that under Joint Rule 9 the conference report would lie over one day.

Rep. Middaugh moved pursuant to Joint Rule 9, that the Journal printing requirement be suspended, printed copies of the conference report having been placed on the members' desks.

The motion prevailed.

The question being on the adoption of the conference report,

The conference report was then adopted, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 723**

**Yeas—100**

Allen	Ehardt	Kowall	Rocca
Baird	Faunce	Kuipers	Sanborn
Basham	Frank	Kukuk	Schauer
Birkholz	Garcia	LaForge	Schermesser
Bisbee	Geiger	LaSata	Scott
Bishop	Gielegem	Law	Scranton
Bogardus	Gilbert	Lockwood	Shackleton
Bovin	Godchaux	Mans	Sheltrown
Bradstreet	Hager	Martinez	Shulman
Brater	Hale	Mead	Spade
Brown, B.	Hanley	Middaugh	Stallworth
Brown, C.	Hansen	Minore	Stamas
Byl	Hardman	Mortimer	Switalski
Callahan	Hart	Neumann	Tabor
Cassis	Howell	O'Neil	Tesanovich
Caul	Jacobs	Pappageorge	Thomas
Cherry	Jamnack	Patterson	Toy
Clark, I.	Jansen	Pestka	Van Woerkom
Clarke, H.	Jelinek	Price	Vander Roest
Daniels	Jellema	Prusi	Vaughn
DeHart	Johnson, Rick	Pumford	Vear
Dennis	Julian	Richardville	Voorhees
DeRossett	Kelly	Richner	Wojno
DeVuyst	Kilpatrick	Rison	Woodward
DeWeese	Koetje	Rivet	Woronchak

**Nays—1**

Gosselin

In The Chair: Patterson

Rep. Middaugh moved that the bill be given immediate effect.  
The motion prevailed, 2/3 of the members serving voting therefor.

---

Rep. Gosselin, having reserved the right to explain his protest against the passage of the bill, made the following statement:

“Mr. Speaker and members of the House:

Two studies were released last month by the Washington-based Cato Institute. The one showing that increased speed limits do not cause increased fatalities has received a lot of press. But the second study has more important implications for what we’re doing here today.

Cato compared the ‘revenue windfalls’ which have come to the 50 states since 1992 due to economic growth. Michigan’s total tax revenue was \$11.2 billion in 1992, and \$21.2 billion in 1998. If revenue had increased at the same rate as inflation and population growth, the 1998 figure would have been \$13.5 billion, instead of \$21.2 billion. In other words we took in \$7.7 billion additional total tax revenue due to economic growth. This amounts to \$787 more taxes from every man, woman, and child in the state.

‘We’re Number One’ is a popular chant at sporting events. Sadly, it also describes Michigan’s rank among states taking more in taxes from citizens. Compared to our \$787 per capita additional take due to economic growth, the national average is \$278.

These numbers do not include the \$600 million overcharge (a.k.a. ‘Surplus’) this year and projected \$500 million overcharge next year. A good sized chunk of next year’s overcharge is being appropriated in these budget conference reports. This bipartisan willingness to spend the extra tax revenue rather than return it to those who earned it is why we’re number one in increased tax take.

What does all this mean? It means government is growing in Michigan. That we’re not cutting taxes fast enough, and instead spending the extra money.

This is wrong. I was not sent to Lansing by the citizens of the 42nd district to grow government, but that’s what this budget does. We should give the money back.”

---

Rep. LaForge asked and obtained an excuse from the balance of today’s session.

Rep. Frank moved that Reps. Neumann and Bovin be excused temporarily from today’s session.  
The motion prevailed.

Rep. Koetje moved that Rep. DeWeese be excused temporarily from today’s session.  
The motion prevailed.

Rep. Middaugh moved that Rep. Raczkowski be excused temporarily from today’s session.  
The motion prevailed.

**Messages from the Senate**

Rep. Middaugh moved to reconsider the vote by which the House concurred in the Senate substitute (S-3) to the House substitute (H-3) made to **Senate Bill No. 489** by the Senate.

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

The question being on concurring in the adoption of the substitute (S-3) to the House substitute (H-3) made to the bill by the Senate,

The substitute (S-3) was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 724****Yeas—103**

Allen	Ehardt	Koetje	Rocca
Baird	Faunce	Kowall	Sanborn
Basham	Frank	Kuipers	Schauer
Birkholz	Garcia	Kukuk	Schermesser
Bisbee	Geiger	LaSata	Scott
Bishop	Gielegem	Law	Scranton
Bogardus	Gilbert	Lemmons	Shackleton
Bovin	Godchaux	Lockwood	Sheltrown
Bradstreet	Gosselin	Mans	Shulman
Brater	Green	Martinez	Spade
Brewer	Hager	Mead	Stallworth
Brown, B.	Hale	Middaugh	Stamas
Brown, C.	Hanley	Minore	Switalski
Byl	Hansen	Mortimer	Tabor
Callahan	Hardman	Neumann	Tesanovich
Cassis	Hart	O'Neil	Thomas
Caul	Howell	Pappageorge	Toy
Cherry	Jacobs	Patterson	Van Woerkom
Clark, I.	Jamnack	Pestka	Vander Roest
Clarke, H.	Jansen	Price	Vaughn
Daniels	Jelinek	Prusi	Vear
DeHart	Jellema	Pumford	Voorhees
Dennis	Johnson, Rick	Richardville	Wojno
DeRossett	Julian	Richner	Woodward
DeVuyst	Kelly	Rison	Woronchak
DeWeese	Kilpatrick	Rivet	

**Nays—0**

In The Chair: Patterson

By unanimous consent the House returned to the order of

**Reports of Select Committees****Senate Bill No. 370, entitled**

A bill to make appropriations for the department of natural resources for the fiscal year ending September 30, 2000; to provide for the expenditure of those appropriations; to create funds and accounts; to require reports; to prescribe certain powers and duties of certain state agencies and officials; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by the various state agencies.

The Senate has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

The Conference Report was read as follows:

**First Conference Report**

The Committee of Conference on the matters of difference between the two Houses concerning **Senate Bill No. 370, entitled**

A bill to make appropriations for the department of natural resources for the fiscal year ending September 30, 2000; to provide for the expenditure of those appropriations; to create funds and accounts; to require reports; to prescribe certain powers and duties of certain state agencies and officials; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by the various state agencies.

Recommends:

First: That the Senate and House agree to the Substitute of the House as passed by the House and to the following amendments:

1. Amend page 1, line 1, by striking out all of line 1 through line 20 on page 16 and inserting:

“PART 1

**LINE-ITEM APPROPRIATIONS**

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of natural resources for the fiscal year ending September 30, 2000, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**DEPARTMENT OF NATURAL RESOURCES**

**TOTAL APPROPRIATIONS SUMMARY:**

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	2,237.5	
<b>GROSS APPROPRIATION</b> .....		\$ 241,911,300
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		4,643,100
<b>ADJUSTED GROSS APPROPRIATION</b> .....		\$ 237,268,200
Federal revenues:		
Total federal revenues .....		22,268,200
Special revenue funds:		
Total local revenues .....		0
Total private revenues .....		1,698,600
Total other state restricted revenues .....		161,806,400
State general fund/general purpose .....		\$ 51,495,000

**OPERATIONS APPROPRIATIONS SUMMARY:**

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	2,237.5	
<b>GROSS APPROPRIATION</b> .....		\$ 241,911,300
Interdepartmental grant revenues:		
IDG-engineering services to work orders .....		1,036,300
IDG from MDOT-state trunkline fund.....		37,500
IDG-MacMullan conference center revenue .....		1,349,000
IDG-land acquisition services to work orders .....		827,900
IDT-interdivisional charges .....		1,392,400
Total interdepartmental grants and intradepartmental transfers .....		4,643,100
<b>ADJUSTED GROSS APPROPRIATION</b> .....		\$ 237,268,200
Federal revenues:		
DAG-federal .....		2,418,000
DOC-federal.....		43,700
DOD-federal .....		60,900
DOE-federal.....		1,000
DOI-federal.....		14,019,100
DOI-MMS, federal oil and gas royalty revenue .....		150,000
DOI-MMS, federal timber revenue .....		2,800,000
DOT-federal .....		2,426,600
EPA-federal.....		328,000
IGLFC-federal.....		20,900
Total federal revenues .....		22,268,200
Special revenue funds:		
Private funds .....		1,198,600

Private-gift revenues .....	500,000
Total private revenues .....	1,698,600
Total local and private revenues .....	1,698,600
Aircraft fees .....	105,100
Air photo fees .....	745,600
Airport and park operation fees.....	42,300
Automated license system revenue.....	411,500
Clean Michigan initiative fund.....	258,200
Commercial fishing fee revenue.....	200
Delinquent property tax administration fund.....	751,600
Farmland and open space withdrawal fees .....	577,600
Forest camping fee revenue .....	802,700
Forest resource revenue .....	25,789,200
Game and fish protection fund.....	55,085,700
Game and fish protection fund—deer habitat reserve.....	1,720,500
Game and fish protection fund—turkey permit fees.....	959,500
Game and fish protection fund—waterfowl fees .....	115,000
Game and fish - wildlife resource protection fund .....	1,021,500
Harbor development fund.....	227,000
Land exchange facilitation fund.....	5,380,700
Land sale revenue .....	2,725,000
Mackinac Island state park fund .....	1,353,500
Marine safety fund.....	4,883,100
Michigan civilian conservation corps endowment fund.....	1,274,400
Michigan geographic information system revenue .....	170,500
Michigan state waterways fund.....	12,527,400
Michigan natural resources trust fund.....	2,834,100
Michigan state parks endowment fund.....	4,711,500
Motor fuel sales revenue.....	775,000
Natural resources magazine fund .....	102,900
Nongame wildlife fund .....	851,900
Off-road vehicle trail improvement fund.....	1,677,000
Park improvement fund.....	26,198,300
Publication revenue.....	103,300
Recreation improvement fund .....	1,394,500
Shop fees .....	52,800
Snowmobile registration fee revenue .....	1,546,000
Snowmobile trail improvement fund.....	4,623,900
Other restricted revenues .....	7,400
Total other state restricted revenues.....	161,806,400
State general fund/general purpose .....	\$ 51,495,000

**Sec. 102. EXECUTIVE**

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	21.0	
Commission (including travel expense—per diem) .....		\$ 75,000
Unclassified salaries .....		406,000
Executive direction—10.0 FTE positions.....		1,675,700
Office of information and education—11.0 FTE positions .....		1,903,100
GROSS APPROPRIATION.....		\$ 4,059,800

Appropriated from:

Interdepartmental grant revenues:

IDG-MacMullan conference center revenue.....	13,600
--	--------

Special revenue funds:

Delinquent property tax administration fund.....	3,500
Farmland and open space withdrawal fees .....	3,600
Forest resource revenue .....	460,600
Game and fish protection fund.....	1,306,700
Land exchange facilitation fund.....	5,700
Land sale fund .....	33,400

Marine safety fund.....	28,800
Michigan geographic information system revenue .....	1,000
Michigan state waterways fund.....	238,000
Michigan state parks endowment fund.....	8,300
Natural resources magazine fund.....	102,900
Off-road vehicle trail improvement fund.....	2,400
Park improvement fund.....	644,500
Snowmobile registration fee revenue .....	2,400
Snowmobile trail improvement fund.....	12,300
Other restricted revenues .....	2,500
State general fund/general purpose .....	\$ 1,189,600
<b>Sec. 103. ADMINISTRATIVE SERVICES</b>	
Full-time equated classified positions .....	235.7
Finance and operations services—143.7 FTE positions.....	\$ 11,333,000
Internal audit—12.0 FTE positions .....	748,000
Office of information systems and technology—55.0 FTE positions.....	6,618,100
Human resources—17.0 FTE positions .....	1,258,800
Equal opportunity and legal services—8.0 FTE positions .....	799,200
<b>GROSS APPROPRIATION.....</b>	<b>\$ 20,757,100</b>
Appropriated from:	
Interdepartmental grant revenues:	
IDT-interdivisional charges .....	1,392,400
IDG-Engineering to work orders.....	909,200
IDG-MacMullan conference center revenue.....	12,900
Federal revenues:	
DOI-federal.....	112,000
Aircraft fees.....	105,100
Automated license system revenue.....	411,500
Clean Michigan initiative fund.....	258,200
Delinquent property tax administration .....	11,500
Farmland and open space withdrawal fees .....	4,000
Forest resource revenue .....	722,700
Game and fish protection fund.....	7,083,900
Land exchange facilitation fund.....	31,200
Land sale revenue .....	66,300
Marine safety fund.....	226,200
Michigan civilian conservation corp endowment fund .....	5,900
Michigan natural resources trust fund.....	587,000
Michigan state parks endowment fund.....	49,000
Michigan state waterways fund.....	778,600
Off-road vehicle trail improvement fund.....	49,300
Park improvement fund.....	855,200
Publications revenue .....	103,300
Recreation improvement fund .....	5,900
Snowmobile registration fee revenue .....	61,000
Snowmobile trail improvement fund.....	74,300
Other restricted revenues .....	4,900
State general fund/general purpose .....	\$ 6,835,600
<b>Sec. 104. DEPARTMENTAL OPERATION SUPPORT</b>	
Building occupancy charges.....	\$ 1,824,600
Rent-privately owned property.....	619,300
Gifts and bequests.....	500,000
<b>GROSS APPROPRIATION.....</b>	<b>\$ 2,943,900</b>
Appropriated from:	
Special revenue funds:	
Private-gift revenues .....	500,000
Forest resource revenue .....	174,400
Game and fish protection fund.....	602,800
Land sale revenue .....	43,100



Marine safety fund.....	39,500
Michigan state waterways fund.....	208,700
Michigan natural resources trust fund.....	10,600
Park improvement fund.....	84,500
Snowmobile trail improvement fund.....	17,400
State general fund/general purpose.....	\$ 1,262,900

**Sec. 105. WILDLIFE MANAGEMENT**

Full-time equated classified positions.....	186.0
Wildlife administration—14.5 FTE positions.....	\$ 1,716,100
Wildlife management—162.5 FTE positions.....	15,672,400
Natural resources heritage—9.0 FTE positions.....	1,515,300
State game and wildlife area maintenance.....	750,000
Federal lands biological inventory.....	50,000
GROSS APPROPRIATION.....	\$ 19,703,800

Appropriated from:

Federal revenues:

DOD-federal.....	50,000
DOI-federal.....	6,819,100
EPA-federal.....	52,000

Special revenue funds:

Private funds.....	104,800
Game and fish protection fund.....	8,864,300
Game and fish protection fund—deer habitat reserve.....	1,720,500
Game and fish protection fund—turkey permit fees.....	959,500
Game and fish protection fund—waterfowl fees.....	115,000
Nongame wildlife fund.....	551,900
State general fund/general purpose.....	\$ 466,700

**Sec. 106. FISHERIES MANAGEMENT**

Full-time equated classified positions.....	229.0
Fisheries administration—12.5 FTE positions.....	\$ 1,285,000
Commercial fisheries—2.7 FTE positions.....	185,100
Recreational fisheries—14.0 FTE positions.....	1,692,600
Fish production—57.4 FTE positions.....	6,692,700
Fisheries resource management—142.4 FTE positions.....	10,915,700
Treaty waters management fund work project.....	138,200
Stream habitat improvement.....	1,179,200
GROSS APPROPRIATION.....	\$ 22,088,500

Appropriated from:

Federal revenues:

DOE-federal.....	1,000
DOC-federal.....	43,700
DOI-federal.....	6,109,400
EPA-federal.....	135,000
IGLFC-federal.....	20,900

Special revenue funds:

Commercial fishing fee revenue.....	200
Game and fish protection fund.....	15,640,100
State general fund/general purpose.....	\$ 138,200

**Sec. 107. PARKS AND RECREATION**

Full-time equated classified positions.....	821.3
State parks—609.2 FTE positions.....	\$ 37,623,900
MacMullan conference center—7.0 FTE positions.....	1,322,500
Recreational boating—202.1 FTE positions.....	10,885,400
Michigan civilian conservation corps—3.0 FTE positions.....	3,462,500
Cost of marine fuel purchase for resale.....	775,000
GROSS APPROPRIATION.....	\$ 54,069,300

Appropriated from:

Interdepartmental grant revenues:

IDG-MacMullan conference center revenue.....	1,322,500
--	-----------

Federal revenues:	
EPA-federal.....	98,800
Special revenue funds:	
Private funds.....	265,700
Harbor development fund.....	227,000
Michigan civilian conservation corps endowment fund.....	1,268,500
Michigan state parks endowment fund.....	4,286,300
Michigan state waterways fund.....	10,658,400
Motor fuel sales revenue.....	775,000
Park improvement fund.....	24,446,500
State general fund/general purpose.....	\$ 10,720,600
<b>Sec. 108. MACKINAC ISLAND STATE PARK COMMISSION</b>	
Full-time equated classified positions.....	48.0
Mackinac Island park operation—23.0 FTE positions.....	\$ 1,637,000
Historical facilities system—25.0 FTE positions.....	1,734,200
GROSS APPROPRIATION.....	\$ 3,371,200
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDOT-state trunkline fund.....	37,500
Special revenue funds:	
Airport and park operation fees.....	42,300
Mackinac Island state park fund.....	1,353,500
State general fund/general purpose.....	\$ 1,937,900
<b>Sec. 109. FOREST RESOURCE MANAGEMENT</b>	
Full-time equated classified positions.....	339.0
Timber harvest—102.0 FTE positions.....	\$ 8,207,800
Forest cultivation and reforestation—23.0 FTE positions.....	4,007,800
Forest resource planning and land use—20.0 FTE positions.....	5,248,200
Private forest development—10.5 FTE positions.....	893,900
Forest finance authority—9.0 FTE positions.....	1,673,200
Forest fire protection—141.5 FTE positions.....	9,819,700
Forest recreation—15.5 FTE positions.....	1,826,200
Forest management initiative.....	1,100,000
Trails—17.5 FTE positions.....	2,278,400
Abandoned mineshaft closure.....	350,000
Forest fire equipment.....	1,700,000
Cooperative resource programs.....	1,250,000
GROSS APPROPRIATION.....	\$ 38,355,200
Appropriated from:	
Federal revenues:	
DAG-federal.....	1,293,000
DOD-federal.....	10,900
EPA-federal.....	42,200
Special revenue funds:	
Private funds.....	778,100
Forest camping fee revenue.....	802,700
Forest resource revenue.....	23,229,000
Game and fish protection fund.....	1,498,700
Marine safety fund.....	129,100
Michigan state waterways fund.....	352,300
Off-road vehicle trail improvement fund.....	349,900
Recreation improvement fund.....	288,600
Shop fees.....	52,800
Snowmobile trail improvement fund.....	1,639,900
State general fund/general purpose.....	\$ 7,888,000
<b>Sec. 110. LAND AND MINERAL SERVICES</b>	
Full-time equated classified positions.....	76.0
Land records and tax reversion—15.3 FTE positions.....	\$ 4,071,200
Minerals management—15.3 FTE positions.....	1,442,700

Land acquisition and exchange—16.2 FTE positions .....	6,965,900
Resource mapping and aerial photography—22.2 FTE positions .....	3,181,300
Farmland and open space preservation—7.0 FTE positions .....	570,000
Grants to communities for cleanup and maintenance of tax reverted properties.....	250,000
<b>GROSS APPROPRIATION.....</b>	<b>\$ 16,481,100</b>
Appropriated from:	
Interdepartmental grant revenues:	
IDG-land acquisition services to work orders .....	827,900
IDG-engineering services to work orders .....	127,100
Special revenue funds:	
Air photo fees .....	745,600
Delinquent property tax administration fund.....	736,600
Farmland and open space withdrawal fees .....	570,000
Forest resource revenue .....	1,202,500
Game and fish protection fund.....	605,600
Land exchange facilitation fund.....	5,343,800
Land sale revenue .....	2,582,200
Michigan geographic information system revenue .....	169,500
Michigan natural resources trust fund .....	1,701,200
Michigan state waterways fund.....	101,100
Michigan state parks endowment fund .....	367,900
Park improvement fund.....	167,600
State general fund/general purpose .....	\$ 1,232,500
<b>Sec. 111. LAW ENFORCEMENT</b>	
Full-time equated classified positions .....	281.5
Wildlife resource protection—10.0 FTE positions .....	\$ 1,021,500
General law enforcement—271.5 FTE positions .....	26,350,300
<b>GROSS APPROPRIATION.....</b>	<b>\$ 27,371,800</b>
Appropriated from:	
Federal revenues:	
DOI-federal.....	802,600
DOT-federal .....	1,926,600
Special revenue funds:	
Game and fish - wildlife resource protection fund .....	1,021,500
Game and fish protection fund .....	17,411,600
Marine safety fund.....	1,229,500
Off-road vehicle trail improvement fund.....	400,900
Snowmobile registration fee revenue .....	340,600
State general fund/general purpose .....	\$ 4,238,500
<b>Sec. 112. PAYMENTS IN LIEU OF TAXES</b>	
Swamp and tax reverted lands.....	7,071,500
Purchased lands taxes/open space payments .....	8,293,500
Commercial forest reserve .....	2,691,700
<b>GROSS APPROPRIATION.....</b>	<b>\$ 18,056,700</b>
Appropriated from:	
Special revenue funds:	
Game and fish protection fund .....	1,772,000
Michigan natural resources trust fund .....	535,300
Michigan state waterways fund .....	190,300
State general fund/general purpose .....	\$ 15,559,100
<b>Sec. 113. GRANTS</b>	
Grant to counties—marine safety.....	\$ 3,230,000
Federal - land and water conservation fund payments.....	1,000
Federal - forest stewardship grants .....	625,000
Federal - urban forestry grants .....	400,000
Federal - clean vessel act grants .....	175,000
Federal - rural community fire protection/dry hydrant demonstration projects.....	100,000
Grants to communities - federal oil, gas, and timber payments.....	2,950,000
Recreation improvement fund grants.....	1,100,000

Snowmobile local grants program.....	2,880,000
Snowmobile law enforcement grants.....	1,142,000
Off-road vehicle trail improvement grants .....	874,500
National recreational trails.....	550,000
Game & nongame wildlife fund grants .....	400,000
Inland fisheries resources grants .....	200,000
City of Centerline shooting range .....	25,400
GROSS APPROPRIATION.....	\$ 14,652,900
Appropriated from:	
Federal revenues:	
DAG-federal .....	1,125,000
DOI-federal.....	176,000
DOI, oil and gas royalty revenue .....	150,000
DOI-MMS federal timber revenue .....	2,800,000
DOT-federal .....	500,000
Private funds.....	50,000
Game and fish protection fund.....	300,000
Marine safety fund.....	3,230,000
Nongame wildlife fund .....	300,000
Off-road vehicle trail improvement fund.....	874,500
Recreation improvement fund .....	1,100,000
Snowmobile registration fees .....	1,142,000
Snowmobile trail improvement fund.....	2,880,000
State general fund/general purpose .....	\$ 25,400

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS

**GENERAL SECTIONS**

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending in this appropriation act is \$213,301,400.00 and state appropriations to be paid to local units of government are estimated at \$21,985,100.00. The following itemized statement identifies appropriations from which spending to units of local government will occur:

**DEPARTMENT OF NATURAL RESOURCES**

**GRANTS**

Swamp and tax reverted lands.....	\$ 7,071,500
Purchased lands/open space payments .....	7,974,500
Commercial forest reserve .....	2,691,700
Grants to counties - marine safety.....	3,230,000
City of Centerline shooting range .....	25,400
Snowmobile law enforcement .....	742,000
Grants to communities for cleanup and maintenance of tax reverted properties.....	250,000
TOTAL .....	\$ 21,985,100".

2. Amend page 20, line 20, by striking out all of sections 211 and 212 and inserting:

“Sec. 211. The departments and state agencies receiving appropriations under this act shall receive and retain copies of all reports funded from appropriations in part 1. These departments and state agencies shall follow federal and state guidelines for short-term and long-term retention of these reports and records.

Sec. 212. The department shall implement a pilot program that places reports required by this act on the Internet, with electronic notification to legislative offices of Internet access to the reports. During fiscal year 2000, the department shall continue to distribute all of these reports to the legislature in the current printed format.”.

3. Amend page 21, line 25, by striking out all of section 216.

4. Amend page 23, line 26, after “auditor” by inserting “on the activities of the internal auditor”.

5. Amend page 24, line 7, after “and” by striking out the balance of the sentence and inserting “biennially thereafter beginning on May 1, 2002.”.

6. Amend page 24, following line 16, by inserting:

“Sec. 224. (1) The department shall submit to the department of management and budget, the house and senate appropriations committees, the house and senate fiscal agencies, and the house and senate standing committees having jurisdiction over technology issues quarterly reports on the department’s efforts to change the department’s computer software and hardware as necessary to perform properly in the year 2000 and beyond. These reports shall identify actual progress in comparison to the department’s approved work plan for these efforts.

(2) Beginning with the report on April 1, 2000, the department shall submit to the department of management and budget, the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the senate and house standing committees having jurisdiction over technology issues quarterly reports identifying for the immediately preceding quarter significant problems with information systems, occurrences of information system failure as a result of noncompliance with year 2000 standards, and previously unidentified areas of significant impact. These reports shall identify systems needing corrective action and the contractual obligations of accountable parties. These reports shall give the status of the progress made in repairing and testing applications, the status of vendor supplied solutions to problems, information on the activation of manual or contract processes used to correct problems, and an itemization of the additional costs incurred.

(3) The department may present progress billings to the department of management and budget for the costs incurred in changing computer software and hardware as necessary to perform properly in the year 2000 and beyond and for costs incurred as a result of initiating corrective actions. At the time progress billings are presented for reimbursement, the department shall identify the funding sources that should support the work performed and the department of management and budget shall forward the appropriated funding.”.

7. Amend page 25, line 10, after “by” by striking out “a disinterested” and inserting “an objective”.

8. Amend page 27, line 13, after “the” by striking out “third” and inserting “second”.

9. Amend page 27, line 23, after “Sec. 603.” by striking out “The” and inserting “Of the funds appropriated in section 105, the”.

10. Amend page 28, line 3, after “of” by striking out “agriculture shall reimburse the department of natural resources” and inserting “natural resources shall request reimbursement from the department of agriculture”.

11. Amend page 28, line 9, after “Sec. 605.” by striking out “(1)”.

12. Amend page 28, line 16, by striking out all of subsection (2).

13. Amend page 31, line 14, after “Sec. 109.” by striking out the balance of the line through “protection” on line 15.

14. Amend page 32, line 3, by striking out all of section 1003.

15. Amend page 32, line 10, after “The” by striking out “\$1,000,000.00 appropriation in part 1” and inserting “funds appropriated in section 110”.

16. Amend page 33, line 8, after “part.” by inserting “The department shall award grants to county law enforcement agencies in counties with state snowmobile trails. The department shall consider the number of enforcement hours and the number of miles of trails in each county in allocating these grants.”.

17. Amend page 33, following line 10, by inserting:

“Sec. 1103. Of the funds appropriated in section 111 for general law enforcement, \$10,000.00 shall be allocated to provide a reward for information leading to the arrest and conviction of a person or persons responsible for the murder of a licensed hunter while in the act of legal hunting.”.

Second: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of natural resources for the fiscal year ending September 30, 2000; to provide for the expenditure of those appropriations; to create funds and accounts; to require reports; to prescribe certain powers and duties of certain state agencies and officials; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by the various state agencies.

George A. McManus, Jr.  
Harry Gast  
Kenneth DeBeaussaert  
Conferees for the Senate

William Byl  
David Mead  
Paul Tesanovich  
Conferees for the House

The Speaker announced that under Joint Rule 9 the conference report would lie over one day.

Rep. Middaugh moved pursuant to Joint Rule 9, that the Journal printing requirement be suspended, printed copies of the conference report having been placed on the members’ desks.

The motion prevailed.

The question being on the adoption of the conference report,

The conference report was then adopted, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 725**

**Yeas—100**

Allen  
Baird

DeWeese  
Ehardt

Koetje  
Kowall

Rocca  
Sanborn

Basham	Faunce	Kuipers	Schauer
Birkholz	Frank	Kukuk	Schermesser
Bisbee	Geiger	LaSata	Scott
Bishop	Gielegem	Law	Scranton
Bogardus	Gilbert	Lemmons	Shackleton
Bovin	Godchaux	Lockwood	Sheltrown
Bradstreet	Green	Mans	Shulman
Brater	Hager	Martinez	Spade
Brewer	Hale	Mead	Stallworth
Brown, B.	Hanley	Middaugh	Stamas
Brown, C.	Hansen	Minore	Switalski
Byl	Hardman	Neumann	Tabor
Callahan	Hart	O'Neil	Tesanovich
Cassis	Howell	Pappageorge	Thomas
Caul	Jacobs	Patterson	Toy
Cherry	Jamnick	Pestka	Van Woerkom
Clark, I.	Jansen	Price	Vander Roest
Clarke, H.	Jelinek	Prusi	Vaughn
Daniels	Jellema	Pumford	Vear
DeHart	Johnson, Rick	Richardville	Voorhees
Dennis	Julian	Richner	Wojno
DeRossett	Kelly	Rison	Woodward
DeVuyst	Kilpatrick	Rivet	Woronchak

### Nays—1

Gosselin

In The Chair: Patterson

Rep. Middaugh moved that the bill be given immediate effect.  
The motion prevailed, 2/3 of the members serving voting therefor.

Rep. Gosselin, having reserved the right to explain his protest against the passage of the bill, made the following statement:

“Mr. Speaker and members of the House:

Two studies were released last month by the Washington-based Cato Institute. The one showing that increased speed limits do not cause increased fatalities has received a lot of press. But the second study has more important implications for what we're doing here today.

Cato compared the ‘revenue windfalls’ which have come to the 50 states since 1992 due to economic growth. Michigan's total tax revenue was \$11.2 billion in 1992, and \$21.2 billion in 1998. If revenue had increased at the same rate as inflation and population growth, the 1998 figure would have been \$13.5 billion, instead of \$21.2 billion. In other words we took in \$7.7 billion additional total tax revenue due to economic growth. This amounts to \$787 more taxes from every man, woman, and child in the state.

‘We're Number One’ is a popular chant at sporting events. Sadly, it also describes Michigan's rank among states taking more in taxes from citizens. Compared to our \$787 per capita additional take due to economic growth, the national average is \$278.

These numbers do not include the \$600 million overcharge (a.k.a. ‘Surplus’) this year and projected \$500 million overcharge next year. A good sized chunk of next year's overcharge is being appropriated in these budget conference reports. This bipartisan willingness to spend the extra tax revenue rather than return it to those who earned it is why we're number one in increased tax take.

What does all this mean? It means government is growing in Michigan. That we're not cutting taxes fast enough, and instead spending the extra money.

This is wrong. I was not sent to Lansing by the citizens of the 42nd district to grow government, but that's what this budget does. We should give the money back."

Rep. Mortimer moved that Rep. Garcia be excused temporarily from today's session. The motion prevailed.

Rep. Lockwood moved that Rep. O'Neil be excused temporarily from today's session. The motion prevailed.

**Senate Bill No. 366, entitled**

A bill to make appropriations for the departments of attorney general, civil rights, civil service, management and budget, state, and treasury, the executive office, and the legislative branch for the fiscal year ending September 30, 2000; to provide for the expenditure of these appropriations; to provide for the funding of certain work projects; to provide for the imposition of certain fees; to establish or continue certain funds, programs, and categories; to transfer certain funds; to prescribe certain requirements for bidding on state contracts; to provide for disposition of year-end balances for the fiscal year ending September 30, 2000; to prescribe the powers and duties of certain principal executive departments and state agencies, officials, and employees; and to provide for the disposition of fees and other income received by the various principal executive departments and state agencies.

The Senate has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

The Conference Report was read as follows:

**First Conference Report**

The Committee of Conference on the matters of difference between the two Houses concerning

**Senate Bill No. 366, entitled**

A bill to make appropriations for the departments of attorney general, civil rights, civil service, management and budget, state, and treasury, the executive office, and the legislative branch for the fiscal year ending September 30, 2000; to provide for the expenditure of these appropriations; to provide for the funding of certain work projects; to provide for the imposition of certain fees; to establish or continue certain funds, programs, and categories; to transfer certain funds; to prescribe certain requirements for bidding on state contracts; to provide for disposition of year-end balances for the fiscal year ending September 30, 2000; to prescribe the powers and duties of certain principal executive departments and state agencies, officials, and employees; and to provide for the disposition of fees and other income received by the various principal executive departments and state agencies.

Recommends:

First: That the Senate and House agree to the Substitute of the House as passed by the House and to the following amendments:

- 1. Amend page 2, line 1, by striking out all of part 1 and inserting:

**"PART 1**

**LINE-ITEM APPROPRIATIONS**

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the departments of attorney general, civil rights, civil service, management and budget, state, and treasury, the executive office, the legislative branch, and certain other state purposes, for the fiscal year ending September 30, 2000, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**TOTAL GENERAL GOVERNMENT**

Full-time equated unclassified positions .....	42.0
Full-time equated classified positions .....	5,964.0

**GROSS APPROPRIATION**..... \$ 2,446,821,000

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental transfers ..... \$ 130,631,500

**ADJUSTED GROSS APPROPRIATION** ..... \$ 2,316,189,500

Federal revenues:	
Total federal revenues .....	60,820,700
Special revenue funds:	
Total local revenues .....	4,647,200
Total private revenues .....	2,231,900
Total other state restricted revenues .....	1,768,704,100
State general fund/general purpose .....	\$ 479,785,600
<b>Sec. 102. DEPARTMENT OF ATTORNEY GENERAL</b>	
<b>(1) APPROPRIATION SUMMARY:</b>	
Full-time equated unclassified positions .....	6.0
Full-time equated classified positions .....	569.0
GROSS APPROPRIATION .....	\$ 55,132,300
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	8,686,800
ADJUSTED GROSS APPROPRIATION .....	\$ 46,445,500
Federal revenues:	
Total federal revenues .....	6,401,700
Special revenue funds:	
Total local revenues .....	0
Total private revenues .....	1,106,800
Total other state restricted revenues .....	6,858,200
State general fund/general purpose .....	\$ 32,078,800
<b>(2) ATTORNEY GENERAL OPERATIONS</b>	
Full-time equated unclassified positions .....	6.0
Full-time equated classified positions .....	569.0
Attorney general .....	\$ 124,900
Unclassified positions—5.0 FTE positions .....	444,500
Attorney general operations—550.5 FTE positions .....	52,712,000
Prosecuting attorneys coordinating council—18.5 FTE positions .....	1,550,900
PACC, training project .....	300,000
GROSS APPROPRIATION .....	\$ 55,132,300
Appropriated from:	
Interdepartmental grant revenues:	
IDG from FIA .....	1,691,500
IDG from MDCIS, financial and insurance services .....	94,100
IDG from MDCIS, health services .....	907,700
IDG from MDCIS, liquor purchase revolving fund .....	805,400
IDG from MDCIS, public utility assessments .....	1,531,000
IDG from MDSP, Michigan justice training fund .....	300,000
IDG from MDOT, comprehensive transportation fund .....	121,600
IDG from MDOT, state aeronautics fund .....	114,900
IDG from MDOT, state trunkline fund .....	2,353,600
IDG from Michigan gaming control board .....	767,000
Federal revenues:	
DAG, state administrative match grant/food stamps .....	992,400
DED-OPSE, student loan, federal lender allowance .....	268,300
DOL-ETA, unemployment insurance .....	1,274,600
DOL-OSHA, occupational safety and health .....	249,400
EPA, multiple grants .....	343,500
Federal funds .....	419,600
HHS-OS, state Medicaid fraud control units .....	2,343,800
HHS, medical assistance, medigrant .....	510,100
Special revenue funds:	
Private - accident fund company revenue .....	1,106,800
Antitrust enforcement collections .....	285,800
Auto repair facilities fees .....	178,400
Collections revenue .....	550,400
Corporate fees .....	58,500
Franchise fees .....	223,100



Game and fish protection fund.....	630,800
Low level radioactive waste management fund.....	230,500
Michigan state housing development authority fees.....	447,300
Michigan underground storage tank financial assurance fund.....	147,900
Mobile home commission fees.....	173,100
Oil and gas privilege fee revenue.....	131,900
Prisoner reimbursement.....	277,600
Prosecuting attorneys training fees.....	236,800
Retirement funds.....	570,900
Second injury fund.....	865,800
Securities fees.....	58,600
Self-insurers security fund.....	148,400
Silicosis and dust disease fund.....	442,100
State building authority revenue.....	74,800
State hospital authority.....	291,200
State lottery fund.....	190,100
Utility consumers fund.....	446,300
Waterways fund.....	76,600
Worker's compensation administrative revolving fund.....	121,300
State general fund/general purpose.....	\$ 32,078,800
<b>Sec. 103. DEPARTMENT OF CIVIL RIGHTS</b>	
Full-time equated unclassified positions.....	5.0
Full-time equated classified positions.....	166.5
GROSS APPROPRIATION.....	\$ 14,623,300
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers.....	0
ADJUSTED GROSS APPROPRIATION.....	\$ 14,623,300
Federal revenues:	
Total federal revenues.....	1,634,000
Special revenue funds:	
Total local revenues.....	0
Total private revenues.....	0
Total other state restricted revenues.....	0
State general fund/general purpose.....	\$ 12,989,300
<b>(2) CIVIL RIGHTS OPERATIONS</b>	
Full-time equated unclassified positions.....	5.0
Full-time equated classified positions.....	166.5
Commission (per diem \$75.00).....	\$ 16,200
Unclassified positions—5.0 FTE positions.....	333,100
Civil rights operations—166.5 FTE positions.....	14,274,000
GROSS APPROPRIATION.....	\$ 14,623,300
Appropriated from:	
Federal revenues:	
EEOC, state and local antidiscrimination agency contracts.....	1,500,000
HUD, grant.....	134,000
State general fund/general purpose.....	\$ 12,989,300
<b>Sec. 104. DEPARTMENT OF CIVIL SERVICE</b>	
<b>(1) APPROPRIATION SUMMARY:</b>	
Full-time equated classified positions.....	230.5
GROSS APPROPRIATION.....	\$ 28,585,500
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers.....	2,300,000
ADJUSTED GROSS APPROPRIATION.....	\$ 26,285,500
Federal revenues:	
Total federal revenues.....	4,779,100
Special revenue funds:	
Total local revenues.....	1,700,000
Total private revenues.....	150,000
Total other state restricted revenues.....	8,859,200
State general fund/general purpose.....	\$ 10,797,200

**(2) CIVIL SERVICE OPERATIONS**

Full-time equated classified positions .....	230.5	
Civil service operations—230.5 FTE positions .....		\$ 28,585,500
<b>GROSS APPROPRIATION</b> .....		\$ 28,585,500
Appropriated from:		
Interdepartmental grant revenues:		
IDG, training charges.....		1,000,000
IDG, 1% special funds .....		1,300,000
Federal revenues:		
Federal funds 1% .....		4,779,100
Special revenue funds:		
Local funds 1% .....		1,700,000
Private funds 1% .....		150,000
Data services revenue .....		8,100
Freedom of information fees .....		1,100
State sponsored group insurance .....		2,650,000
State restricted funds 1% .....		6,200,000
State general fund/general purpose .....		\$ 10,797,200

**Sec. 105. EXECUTIVE OFFICE****(1) APPROPRIATION SUMMARY:**

Full-time equated unclassified positions .....	10.0	
Full-time equated classified positions .....	75.0	
<b>GROSS APPROPRIATION</b> .....		\$ 5,425,100
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		0
<b>ADJUSTED GROSS APPROPRIATION</b> .....		\$ 5,425,100
Federal revenues:		
Total federal revenues .....		0
Special revenue funds:		
Total local revenues .....		0
Total private revenues .....		0
Total other state restricted revenues .....		0
State general fund/general purpose .....		\$ 5,425,100

**(2) EXECUTIVE OFFICE OPERATIONS**

Full-time equated unclassified positions .....	10.0	
Full-time equated classified positions .....	75.0	
Governor .....		\$ 149,000
Lieutenant governor .....		100,300
Executive office—75.0 FTE positions.....		4,367,000
Unclassified positions—8.0 FTE positions.....		808,800
<b>GROSS APPROPRIATION</b> .....		\$ 5,425,100

Appropriated from:

State general fund/general purpose .....		\$ 5,425,100
--	--	--------------

**Sec. 106. LEGISLATIVE AUDITOR GENERAL****(1) APPROPRIATION SUMMARY:**

<b>GROSS APPROPRIATION</b> .....		\$ 14,343,400
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		1,527,100
<b>ADJUSTED GROSS APPROPRIATION</b> .....		\$ 12,816,300
Federal revenues:		
Total federal revenues .....		0
Special revenue funds:		
Total local revenues .....		0
Total private revenues .....		0
Total other state restricted revenues .....		293,800
State general fund/general purpose .....		\$ 12,522,500

**(2) OFFICE OF THE AUDITOR GENERAL**

Legislative auditor general.....		\$ 118,000
Unclassified positions .....		128,200
Field operations .....		14,097,200
<b>GROSS APPROPRIATION</b> .....		\$ 14,343,400

Appropriated from:

Interdepartmental grant revenues:

IDG from MDCIS, liquor purchase revolving fund.....	79,300
IDG from MDCS .....	67,100
IDG from MDOT, comprehensive transportation fund .....	38,900
IDG from MDOT, Michigan transportation fund.....	101,800
IDG from MDOT, state aeronautics fund .....	15,400
IDG from MDOT, state trunkline fund.....	381,100
IDG, single audit act.....	843,500

Special revenue funds:

Construction lien fund.....	5,000
Contract audit administration fees.....	46,000
Correctional industries revolving fund .....	31,800
Game and fish protection fund.....	17,100
Marine safety fund.....	1,500
Michigan state housing development authority fees.....	40,000
Michigan veterans trust fund.....	14,100
Motor transport revolving fund .....	24,800
Office services revolving fund .....	33,200
Retirement funds.....	49,600
State employees' group insurance .....	26,200
Waterways fund .....	4,500
State general fund/general purpose .....	\$ 12,522,500

**Sec. 107. LEGISLATURE**

**(1) APPROPRIATION SUMMARY:**

GROSS APPROPRIATION.....	\$ 103,153,500
--------------------------	----------------

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental transfers .....	0
--	---

ADJUSTED GROSS APPROPRIATION .....	\$ 103,153,500
------------------------------------	----------------

Federal revenues:

Total federal revenues .....	0
------------------------------	---

Special revenue funds:

Total local revenues .....	0
----------------------------	---

Total private revenues .....	400,000
------------------------------	---------

Total other state restricted revenues .....	1,041,800
---	-----------

State general fund/general purpose .....	\$ 101,711,700
--	----------------

**(2) LEGISLATURE**

Senate .....	\$ 27,538,300
--------------	---------------

Senate automated data processing .....	2,221,500
--	-----------

Senate fiscal agency.....	3,252,800
---------------------------	-----------

House of representatives .....	38,247,700
--------------------------------	------------

House automated data processing.....	1,979,500
--------------------------------------	-----------

House fiscal agency .....	3,073,800
---------------------------	-----------

GROSS APPROPRIATION.....	\$ 76,313,600
--------------------------	---------------

Appropriated from:

State general fund/general purpose .....	\$ 76,313,600
--	---------------

**(3) LEGISLATIVE COUNCIL**

Legislative council.....	\$ 10,827,200
--------------------------	---------------

Legislative service bureau automated data processing .....	1,548,900
--	-----------

Legislative session integration system .....	900
--	-----

Legislative corrections ombudsman .....	563,300
---	---------

Worker's compensation .....	154,800
-----------------------------	---------

National association dues.....	396,100
--------------------------------	---------

GROSS APPROPRIATION.....	\$ 13,491,200
--------------------------	---------------

Appropriated from:

Special revenue funds:

Private - gifts and bequests revenues .....	400,000
---	---------

State general fund/general purpose .....	\$ 13,091,200
--	---------------

**(4) LEGISLATIVE RETIREMENT SYSTEM**

General nonretirement expenses.....	\$	4,298,900
<b>GROSS APPROPRIATION.....</b>	<b>\$</b>	<b>4,298,900</b>

Appropriated from:

Special revenue funds:

Court fees .....		1,041,800
State general fund/general purpose .....	\$	3,257,100

**(5) PROPERTY MANAGEMENT**

Capitol building .....	\$	1,885,100
House of representatives office building .....		6,500,000
Farnum building .....		664,700
<b>GROSS APPROPRIATION.....</b>	<b>\$</b>	<b>9,049,800</b>

Appropriated from:

State general fund/general purpose .....	\$	9,049,800
--	----	-----------

**Sec. 108. LIBRARY OF MICHIGAN****(1) APPROPRIATION SUMMARY:**

<b>GROSS APPROPRIATION.....</b>	<b>\$</b>	<b>38,977,400</b>
---------------------------------	-----------	-------------------

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental transfers .....		0
--	--	---

<b>ADJUSTED GROSS APPROPRIATION .....</b>	<b>\$</b>	<b>38,977,400</b>
---	-----------	-------------------

Federal revenues:

Total federal revenues .....		4,557,400
------------------------------	--	-----------

Special revenue funds:

Total local revenues .....		0
----------------------------	--	---

Total private revenues .....		75,000
------------------------------	--	--------

Total other state restricted revenues .....		86,900
---	--	--------

State general fund/general purpose .....	\$	34,258,100
--	----	------------

**(2) LIBRARY OF MICHIGAN**

Operations.....	\$	8,117,600
-----------------	----	-----------

Michigan library and historical center operations .....		2,787,600
---	--	-----------

Library automation.....		728,400
-------------------------	--	---------

Statewide database access .....		650,000
---------------------------------	--	---------

Collected gifts and fees.....		161,900
-------------------------------	--	---------

State aid to libraries .....		14,350,700
------------------------------	--	------------

Grant to the Detroit public library .....		5,871,600
---	--	-----------

Grand Rapids public library .....		406,400
-----------------------------------	--	---------

Subregional state aid.....		554,300
----------------------------	--	---------

Wayne county library for the blind & physically handicapped .....		49,200
---	--	--------

Book distribution centers .....		313,500
---------------------------------	--	---------

Library services and technology act.....		4,557,400
--	--	-----------

Renaissance zone reimbursement .....		428,800
--------------------------------------	--	---------

<b>GROSS APPROPRIATION.....</b>	<b>\$</b>	<b>38,977,400</b>
---------------------------------	-----------	-------------------

Appropriated from:

Federal revenues:

Library services and technology act.....		4,557,400
--	--	-----------

Special revenue funds:

Private - gifts and bequests revenues .....		75,000
---	--	--------

User fees .....		86,900
-----------------	--	--------

State general fund/general purpose .....	\$	34,258,100
--	----	------------

**Sec. 109. DEPARTMENT OF MANAGEMENT AND BUDGET****(1) APPROPRIATION SUMMARY:**

Full-time equated unclassified positions .....	6.0
--	-----

Full-time equated classified positions .....	944.0
--	-------

<b>GROSS APPROPRIATION.....</b>	<b>\$</b>	<b>137,949,600</b>
---------------------------------	-----------	--------------------

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental transfers .....		52,476,200
--	--	------------

<b>ADJUSTED GROSS APPROPRIATION .....</b>	<b>\$</b>	<b>85,473,400</b>
---	-----------	-------------------

Federal revenues:

Total federal revenues .....		536,400
------------------------------	--	---------

Special revenue funds:	
Total local revenues .....	0
Total private revenues .....	0
Total other state restricted revenues .....	39,639,000
State general fund/general purpose .....	\$ 45,298,000
<b>(2) MANAGEMENT AND BUDGET SERVICES</b>	
Full-time equated unclassified positions .....	6.0
Full-time equated classified positions .....	782.0
Unclassified positions—6.0 FTE positions .....	\$ 515,700
Departmentwide services—62.0 FTE positions .....	14,590,300
Statewide administrative services—253.0 FTE positions .....	24,414,500
Statewide support services—356.0 FTE positions .....	47,906,400
Michigan administrative information network—111.0 FTE positions .....	24,762,400
GROSS APPROPRIATION .....	\$ 112,189,300
Appropriated from:	
Interdepartmental grant revenues:	
IDG from building occupancy and parking charges .....	46,500,300
IDG from MDCH .....	235,000
IDG from MDOT, comprehensive transportation fund .....	38,600
IDG from MDOT, state aeronautics fund .....	18,200
IDG from MDOT, state trunkline fund .....	768,100
IDG from department of career development .....	100,000
IDG from user fees .....	3,561,000
Federal revenues:	
Federal - MESA, administration fund .....	536,400
Special revenue funds:	
Game and fish protection fund .....	190,800
Health management funds .....	1,195,400
Marine safety fund .....	14,100
MAIN user charges .....	5,142,200
Special revenue, internal service, and pension trust funds .....	6,501,400
State building authority revenue .....	435,200
State lottery fund .....	103,300
State sponsored group insurance, flexible spending accounts and COBRA .....	4,672,100
Waterways fund .....	46,200
State general fund/general purpose .....	\$ 42,131,000
<b>(3) STATEWIDE APPROPRIATIONS</b>	
Professional development fund - MPES .....	\$ 105,000
Professional development fund - MSC .....	150,000
Professional development fund - UAW .....	900,000
Professional development fund - local 31-M .....	50,000
Professional development fund - nonexclusively represented employees .....	50,000
GROSS APPROPRIATION .....	\$ 1,255,000
Appropriated from:	
Interdepartmental grant revenues:	
IDG from employer contributions .....	1,255,000
State general fund/general purpose .....	\$ 0
<b>(4) SPECIAL PROGRAMS</b>	
Full-time equated classified positions .....	162.0
Statewide unclassified salaries .....	\$ 548,800
Building occupancy charges - property management services for executive/legislative building occupancy .....	1,514,300
Retirement services—148.0 FTE positions .....	21,278,300
Office of children's ombudsman—14.0 FTE positions .....	1,163,900
GROSS APPROPRIATION .....	\$ 24,505,300
Appropriated from:	
Special revenue funds:	
Pension trust funds .....	21,278,300
State restricted revenues .....	60,000
State general fund/general purpose .....	\$ 3,167,000

**Sec. 110. DEPARTMENT OF STATE****(1) APPROPRIATION SUMMARY:**

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	2,044.0	
<b>GROSS APPROPRIATION</b> .....		\$ 181,515,300
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		56,830,800
<b>ADJUSTED GROSS APPROPRIATION</b> .....		\$ 124,684,500
Federal revenues:		
Total federal revenues .....		3,112,100
Special revenue funds:		
Total local revenues .....		0
Total private revenues .....		500,100
Total other state restricted revenues .....		60,983,300
State general fund/general purpose .....		\$ 60,089,000

**(2) EXECUTIVE DIRECTION**

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	26.2	
Secretary of state .....		\$ 124,900
Unclassified positions—5.0 FTE positions .....		444,500
Operations—26.2 FTE positions .....		1,737,600
<b>GROSS APPROPRIATION</b> .....		\$ 2,307,000

## Appropriated from:

Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund .....		483,700
Special revenue funds:		
Auto repair facilities fees .....		48,600
Driver fees .....		78,800
Expedient service fees .....		40,500
Look-up fees .....		353,600
Parking ticket court fines .....		6,300
Personal identification card fees .....		9,600
Reinstatement fees - operator licenses .....		84,200
Vehicle theft prevention fees .....		27,800
State general fund/general purpose .....		\$ 1,173,900

**(3) DEPARTMENT SERVICES**

Full-time equated classified positions .....	374.0	
Operations—164.8 FTE positions .....		\$ 18,447,200
Auto regulation—103.7 FTE positions .....		7,085,400
Data processing—99.0 FTE positions .....		23,239,800
Assigned claims assessments—6.5 FTE positions .....		600,600
<b>GROSS APPROPRIATION</b> .....		\$ 49,373,000

## Appropriated from:

Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund .....		15,686,500
Federal revenues:		
Temporary assistance for needy families .....		1,345,900
Special revenue funds:		
Administrative order processing fees .....		10,400
Assigned claims assessments .....		600,600
Auto repair facilities fees .....		4,251,700
Child support clearance fees .....		45,700
Driver fees .....		1,076,500
Expedient service fees .....		664,400
Look-up fees .....		9,058,200
Marine safety fund .....		64,500
Off-road vehicle title fees .....		6,900
Parking ticket court fines .....		122,000
Personal identification card fees .....		97,000

Reinstatement fees - operator licenses .....	860,200
Scrap tire fund .....	59,200
Snowmobile registration fee revenue .....	15,500
Vehicle theft prevention fees.....	1,518,000
State general fund/general purpose .....	\$ 13,889,800
<b>(4) REGULATORY SERVICES</b>	
Full-time equated classified positions .....	95.8
Operations—95.8 FTE positions .....	\$ 7,295,800
GROSS APPROPRIATION.....	\$ 7,295,800
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDOT, Michigan transportation fund.....	2,004,800
Special revenue funds:	
Auto repair facilities fees.....	57,400
Driver fees .....	520,100
Expedient service fees.....	25,900
Look-up fees .....	2,173,100
Parking ticket court fines .....	7,100
Personal identification card fees .....	35,400
Reinstatement fees - operator licenses .....	456,800
Vehicle theft prevention fees.....	95,400
State general fund/general purpose .....	\$ 1,919,800
<b>(5) CUSTOMER DELIVERY SERVICES</b>	
Full-time equated classified positions .....	1,444.8
Branch operations—1,020.0 FTE positions .....	\$ 63,892,100
Central records—408.6 FTE positions .....	27,537,300
Commemorative license plates—16.2 FTE positions .....	9,353,300
Specialty license plates .....	2,215,000
Olympic center plate.....	75,700
Organ donor program.....	104,100
GROSS APPROPRIATION.....	\$ 103,177,500
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDOT, Michigan transportation fund.....	35,936,600
Federal revenues:	
Temporary assistance for needy families.....	366,300
Special revenue funds:	
Private funds.....	100
Auto repair facilities fees.....	75,700
Child support clearance fees .....	331,500
Commercial driver training school fees.....	57,200
Driver fees .....	10,887,100
Expedient service fees.....	1,549,900
Look-up fees .....	15,259,800
Marine safety fund.....	907,400
Mobile home commission fees .....	376,600
Motorcycle safety fund .....	119,700
Off-road vehicle title fees .....	97,100
Olympic center training fund .....	75,700
Parking ticket court fines .....	1,312,800
Personal identification card fees .....	1,217,700
Reinstatement fees - operator licenses .....	1,846,800
Snowmobile registration fee revenue .....	265,600
Vehicle theft prevention fees.....	168,900
State general fund/general purpose .....	\$ 32,325,000
<b>(6) ELECTION REGULATION</b>	
Full-time equated classified positions .....	28.5
Election administration and services—28.5 FTE positions.....	\$ 2,118,200
Fees to local units .....	69,800

Qualified voter file.....	1,154,300
GROSS APPROPRIATION.....	\$ 3,342,300
Appropriated from:	
State general fund/general purpose .....	\$ 3,342,300
<b>(7) HISTORICAL PROGRAM</b>	
Full-time equated classified positions .....	74.7
Historical administration and services—63.3 FTE positions .....	\$ 4,326,100
Federal programs—8.9 FTE positions .....	1,399,900
Mann house—0.5 FTE position.....	100,000
Lighthouse program—1.0 FTE position .....	150,000
Tax credit program—1.0 FTE position.....	70,000
Heritage publications .....	700,000
Private grants and gifts .....	400,000
GROSS APPROPRIATION.....	\$ 7,146,000
Appropriated from:	
Federal revenues:	
DOC-NOAA, coastal zone management administration .....	75,000
DOI-NHPRC .....	250,000
DOI-NPS, historic preservation grants-in-aid.....	924,900
Federal institute of museum and library services .....	150,000
Special revenue funds:	
Private - grants and gifts.....	400,000
Private - Mann house trust fund.....	100,000
Heritage publication fund.....	700,000
State general fund/general purpose .....	\$ 4,546,100
<b>(8) DEPARTMENTWIDE APPROPRIATIONS</b>	
Building occupancy charges - property management services.....	\$ 1,493,700
Private rent .....	6,570,400
Worker's compensation .....	809,600
GROSS APPROPRIATION.....	\$ 8,873,700
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDOT, Michigan transportation fund.....	2,719,200
Special revenue funds:	
Auto repair facilities fees.....	174,300
Driver fees .....	536,200
Expedient service fees.....	16,000
Look-up fees .....	1,957,800
Parking ticket court fines .....	578,100
State general fund/general purpose .....	\$ 2,892,100
<b>Sec. 111. DEPARTMENT OF TREASURY</b>	
<b>(1) APPROPRIATION SUMMARY:</b>	
Full-time equated unclassified positions .....	9.0
Full-time equated classified positions .....	1,935.0
GROSS APPROPRIATION.....	\$ 1,867,115,600
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	8,810,600
ADJUSTED GROSS APPROPRIATION .....	\$ 1,858,305,000
Federal revenues:	
Total federal revenues .....	39,800,000
Special revenue funds:	
Total local revenues .....	2,947,200
Total private revenues .....	0
Total other state restricted revenues .....	1,650,941,900
State general fund/general purpose .....	\$ 164,615,900
<b>(2) EXECUTIVE DIRECTION</b>	
Full-time equated unclassified positions .....	9.0
Full-time equated classified positions .....	4.0
Unclassified positions—9.0 FTE positions.....	\$ 748,600



Multistate tax commission dues .....	111,700
Office of the director—4.0 FTE positions .....	426,800
GROSS APPROPRIATION .....	\$ 1,287,100
Appropriated from:	
Special revenue funds:	
State lottery fund .....	109,700
State services fee fund .....	117,600
State general fund/general purpose .....	\$ 1,059,800
<b>(3) DEPARTMENTWIDE APPROPRIATIONS</b>	
Rent .....	\$ 570,400
Travel.....	1,815,900
Building occupancy charges - property management services.....	2,398,300
Worker's compensation insurance premium .....	486,800
GROSS APPROPRIATION .....	\$ 5,271,400
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDOT, state aeronautics fund .....	2,700
IDG, state agency collection fees.....	17,900
Special revenue funds:	
Local - audit charges.....	80,600
Local - equalization study charge-backs.....	16,300
Delinquent property tax administration fund.....	127,000
Delinquent tax collection revenue .....	2,833,300
Municipal finance fees .....	11,200
Treasury fees.....	18,900
Waterways fund .....	2,300
State general fund/general purpose .....	\$ 2,161,200
<b>(4) LOCAL GOVERNMENT PROGRAMS</b>	
Full-time equated classified positions .....	98.0
Supervision of the general property tax law—49.0 FTE positions .....	\$ 4,147,700
Property tax assessor training—4.0 FTE positions .....	346,400
Local property tax services—16.5 FTE positions.....	1,739,800
Local finance—28.5 FTE positions .....	2,215,400
State audits of counties .....	60,000
Pari-mutuel audits .....	240,000
GROSS APPROPRIATION .....	\$ 8,749,300
Appropriated from:	
Special revenue funds:	
Local - assessor training fees .....	346,400
Local - audit charges.....	988,300
Local - equalization study charge-backs.....	200,500
Local - revenue from local government .....	615,100
Delinquent property tax administration fund.....	4,739,800
Municipal finance fees.....	243,300
State general fund/general purpose .....	\$ 1,615,900
<b>(5) TAX PROGRAMS</b>	
Full-time equated classified positions .....	763.5
Administration—229.0 FTE positions .....	\$ 17,347,000
Enforcement—526.5 FTE positions .....	34,158,100
Technology investment plan.....	5,000,000
Home heating assistance .....	1,600,000
Senior prescription drug credit processing .....	182,500
Michigan underground storage tank assurance fund—4.0 FTE positions .....	199,000
Tobacco tax collection—4.0 FTE positions.....	200,000
Joint federal/state motor fuel compliance project.....	100,000
Bottle bill implementation .....	250,000
New hire reporting .....	1,545,000
FARSTAR tax audit system.....	4,242,400
GROSS APPROPRIATION .....	\$ 64,824,000

Appropriated from:	
Interdepartmental grant revenues:	
IDG, data/collection services fees .....	250,900
IDG from FIA .....	1,545,000
IDG from MDCH .....	200,000
IDG from MDOT, state aeronautics fund .....	38,000
Federal revenues:	
DOT-FHA, intermodal surface transportation efficiency act .....	410,000
HHS-SSA, low income energy assistance .....	1,600,000
Special revenue funds:	
Bottle deposit fund .....	250,000
Delinquent tax collection revenue .....	36,400,500
Escheats revenue .....	298,200
Michigan pharmaceutical .....	182,500
Michigan underground storage tank financial assurance revenue .....	199,000
Tobacco tax revenue .....	325,000
Waterways fund .....	49,400
State general fund/general purpose .....	\$ 23,075,500
<b>(6) MANAGEMENT PROGRAMS</b>	
Full-time equated classified positions .....	520.5
Department services—338.5 FTE positions .....	\$ 21,215,800
Information technology services—171.0 FTE positions .....	11,999,400
Receipt, warrant and cash processing .....	3,736,300
Fiscal agent—3.0 FTE positions .....	136,700
Child support order offsets—8.0 FTE positions .....	501,300
GROSS APPROPRIATION .....	\$ 37,589,500
Appropriated from:	
Interdepartmental grant revenues:	
IDG, fiscal agent service fees .....	136,700
IDG from FIA, title IV D .....	471,700
IDG from MDOT, state aeronautics fund .....	16,200
IDG, levy/warrant cost assessment fees .....	1,481,200
IDG, receipt, warrant and cash processing fees .....	3,736,300
IDG, state agency collection fees .....	421,500
IDG, user services .....	492,500
Special revenue funds:	
Children's trust fund .....	6,400
Delinquent property tax administration fund .....	17,300
Delinquent tax collection revenue .....	13,637,100
Garnishment fees .....	391,100
Treasury fees .....	150,800
Waterways fund .....	17,100
State general fund/general purpose .....	\$ 16,613,600
<b>(7) FINANCIAL PROGRAMS</b>	
Full-time equated classified positions .....	289.0
Retirement investments—86.5 FTE positions .....	\$ 8,803,800
Common cash investments and debt management—10.5 FTE positions .....	780,900
Student financial assistance programs—174.5 FTE positions .....	39,441,400
Deferred compensation/defined contribution—17.5 FTE positions .....	2,972,100
Health insurance reserve fund payment .....	573,600
Michigan merit award commission .....	2,000,000
GROSS APPROPRIATION .....	\$ 54,571,800
Appropriated from:	
Federal revenues:	
DED-OPSE, federal lenders allowance .....	11,487,900
DED-OPSE, higher education act of 1965, insured loans .....	26,302,100
Special revenue funds:	
College work study .....	46,300
Deferred compensation .....	2,774,800

Michigan merit award trust fund .....	2,000,000
MI-CASHE fees .....	357,400
Retirement funds .....	8,803,800
School bond fees .....	330,200
Treasury fees .....	270,800
State general fund/general purpose .....	\$ 2,198,500

**(8) DEBT SERVICE**

Water pollution control bond and interest redemption .....	\$ 4,065,000
School bond loan .....	23,615,000
Quality of life bond .....	66,437,500
<b>GROSS APPROPRIATION</b> .....	\$ <u>94,117,500</u>

Appropriated from:

Special revenue funds:

Local - school bond loan repayments by school districts .....	700,000
State general fund/general purpose .....	\$ 93,417,500

**(9) GRANTS**

Grants to counties in lieu of taxes .....	\$ 10,000
Convention facility development distribution .....	40,000,000
Michigan education trust fund challenge grants .....	50,000
Senior citizen cooperative housing tax exemption program .....	13,700,600
Constitutional state general revenue sharing grants .....	607,230,000
Statutory state general revenue sharing grants .....	855,270,000
Special census revenue sharing payments .....	6,500,000
Health and safety fund grants .....	23,175,000
City of Benton Harbor - enterprise zone .....	213,200
Tax increment finance authority payments .....	4,000,100
<b>GROSS APPROPRIATION</b> .....	\$ <u>1,550,148,900</u>

Appropriated from:

Special revenue funds:

Convention facility development fund .....	40,000,000
Sales tax .....	1,462,500,000
Health and safety fund .....	23,175,000
State general fund/general purpose .....	\$ 24,473,900

**(10) STATE LOTTERY**

Full-time equated classified positions .....	202.0
Lottery operations—164.0 FTE positions .....	\$ 12,917,300
Promotion and advertising .....	18,372,000
Lottery data processing—38.0 FTE positions .....	4,862,800
<b>GROSS APPROPRIATION</b> .....	\$ <u>36,152,100</u>

Appropriated from:

Special revenue funds:

State lottery fund .....	36,152,100
State general fund/general purpose .....	\$ 0

**(11) CASINO GAMING**

Full-time equated classified positions .....	58.0
Michigan gaming control board .....	\$ 500,000
Casino gaming control administration—58.0 FTE positions .....	13,904,000
<b>GROSS APPROPRIATION</b> .....	\$ <u>14,404,000</u>

Appropriated from:

Special revenue funds:

Casino gambling agreements .....	383,500
State services fee fund .....	14,020,500
State general fund/general purpose .....	\$ 0

2. Amend page 32, line 4, by striking out all of section 201 and inserting:

“Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending under part 1 for fiscal year 1999-2000 is \$2,248,489,700.00 and state appropriations to be paid to local units of government are as follows:

**LEGISLATIVE BRANCH - LIBRARY OF MICHIGAN**

State aid to libraries .....	\$ 14,350,700
------------------------------	---------------

Detroit public library .....	5,871,600
Grand Rapids public library .....	406,400
Subregional state aid .....	554,300
Wayne County library for the blind and physically handicapped .....	49,200
Renaissance zone reimbursement .....	428,800
Subtotal .....	\$ 21,661,000
DEPARTMENT OF STATE	
Fees to local units .....	\$ 69,800
Subtotal .....	\$ 69,800
DEPARTMENT OF TREASURY	
Senior citizen cooperative housing tax exemption .....	\$ 13,700,600
Grants to counties in lieu of taxes .....	10,000
Health and safety fund grants .....	23,175,000
City of Benton Harbor enterprise zone .....	213,200
Constitutional state general revenue sharing grants .....	607,230,000
Statutory state general revenue sharing grants .....	855,270,000
Special census revenue sharing payments .....	6,500,000
Convention facility development fund distribution .....	40,000,000
Tax increment finance authority payments .....	4,000,100
Subtotal .....	\$ 1,550,098,900
TOTAL GENERAL GOVERNMENT .....	\$ 1,571,829,700

(2) If it appears to the principal executive officer of a department or branch that state spending to local units of government will be less than the amount that was projected to be expended for any quarter under subsection (1), the principal executive officer shall immediately give notice of the approximate shortfall to the state budget director, the senate and house of representatives standing committees on appropriations, and the senate and house fiscal agencies.

(3) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources for fiscal year 1999-2000 is estimated at \$23,731,359,500.00 in the 1999-2000 appropriations acts and state spending from state sources paid to local units of government for fiscal year 1999-2000 is estimated at \$14,502,800,700.00. The state-local proportion is estimated at 61.1% of total state spending from state resources.

(4) If payments to local units of government and state spending from state sources for fiscal year 1999-2000 are different than the amounts estimated in subsection (3), the state budget director shall report the payments to local units of government and state spending from state sources that were made for fiscal year 1999-2000 to the senate and house of representatives standing committees on appropriations within 30 days after the final bookclosing for fiscal year 1999-2000.”

3. Amend page 37, line 24, by striking out all of section 209 and inserting:

“Sec. 209. (1) The departments of attorney general, civil rights, civil service, management and budget, state, and treasury, the executive office, and the legislative branch shall submit to the department of management and budget, the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the senate and house standing committees having jurisdiction over technology issues, quarterly reports on the department’s or agency’s efforts to change the department’s or agency’s computer software and hardware as necessary to perform properly in the year 2000 and beyond. These reports shall identify actual progress in comparison to the department’s or agency’s approved work plan for these efforts.

(2) Beginning with the report on April 1, 2000, the departments of attorney general, civil rights, civil service, management and budget, state, and treasury, the executive office, and the legislative branch shall submit to the department of management and budget, the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the senate and house standing committees having jurisdiction over technology issues, quarterly reports identifying, for the immediately preceding quarter, significant problems with information systems, occurrences of information system failure as a result of noncompliance with year 2000 standards, and previously unidentified areas of significant impact. These reports shall identify systems needing corrective action and the contractual obligations of accountable parties. These reports shall give the status of the progress made in repairing and testing applications, the status of vendor-supplied solutions to problems, information on the activation of manual or contract processes used to correct problems, and an itemization of the additional costs incurred.

(3) The departments of attorney general, civil rights, civil service, management and budget, state, and treasury, and the executive office may present progress billings to the department of management and budget for the costs incurred in changing computer software and hardware as necessary to perform properly in the year 2000 and beyond, and for costs incurred as a result of initiating corrective actions. At the time progress billings are presented for reimbursement, the departments and agencies shall identify the funding sources that should support the work performed, and the department of management and budget shall forward the appropriate funding.”

4. Amend page 39, line 21, after “agencies” by striking out the balance of the section and inserting “within 30 months.”

5. Amend page 39, line 22, by striking out all of section 212 and inserting:

“Sec. 212. Pursuant to section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, that provides for a transfer of state general fund into the countercyclical budget and economic stabilization fund, there is appropriated into the countercyclical budget and economic stabilization fund the sum of \$37,100,000.00 determined as follows:

	<u>1998</u>	<u>1999</u>
Michigan personal income (millions)	\$253,841	\$264,908
less: transfer payments	39,655	40,805
Subtotal	214,186	224,103
Divided by: Detroit CPI for 12 months		
Ending June 30 (1982=1.00)	1,582	1,616
Equals: Real adjusted Michigan personal income	\$135,389	\$138,686
Percentage change		2.4%
Percentage change in excess of 2%		0.4%
Multiplied by: estimated GF/GP revenue in FY 1998-99 (millions)		9,266.9
Equals: countercyclical budget and economic stabilization fund requirements for the fiscal year ending September 30, 2000.		\$37.1”.

6. Amend page 41, line 12, by striking out all of section 216.

7. Amend page 53, line 4, by striking out all of section 631.

8. Amend page 61, line 5, by striking out all of sections 716 and 717.

9. Amend page 61, following line 27, by inserting:

“Sec. 719. From the funds appropriated in section 109 to the department of management and budget, there is appropriated in a separate line-item an amount not to exceed \$488,800.00 from general fund-general purpose and an amount not to exceed \$60,000.00 from state restricted funds for unclassified salaries. These amounts may be used to support unclassified positions in various executive departments and agencies for the fiscal year ending September 30, 2000. The department shall report to the senate and house of representatives standing committees on appropriations and the senate and house fiscal agencies, the amounts spent by each executive department and agency on unclassified salaries from these funds.”.

10. Amend page 70, line 25, by striking out all of sections 821 and 822.

11. Amend page 73, line 26, after “funds” by striking out “international”.

12. Amend page 73, line 27, after “portfolios.” by inserting “The state treasurer shall report annually to the senate and house of representatives standing committees on appropriations concerning the performance of each portfolio by investment advisor.”.

13. Amend page 87, line 6, by striking out all of section 935.

14. Amend page 90, line 14, by striking out all of section 1101 and inserting:

“Sec. 1101. Pursuant to section 18 of article V of the state constitution of 1963, fund balances and estimates are presented in the following statement:

**BUDGET RECOMMENDATIONS BY OPERATING FUNDS**

(Amounts in millions)

Fiscal Year 1999-2000

	Fund #	Beginning Unreserved Fund Balance	Estimated Revenue	Ending Balance
Operating Fund				
General	0110	0.0	20,076.4	0.0
Special Revenue Funds:				
Counter-cyclical budget and economic stabilization	0111	1,040.1	96.3	1,104.4
Game and fish protection	0112	9.2	47.1	8.2
Michigan employment security act administration	0113	0.0	149.7	0.0
State aeronautics	0114	3.7	90.1	0.0
Michigan veterans’ benefit trust	0115	0.0	0.4	0.0
State trunkline	0116	5.0	1,581.6	0.0
Michigan state waterways	0117	16.1	22.1	6.4
Blue water bridge	0118	1.4	11.0	0.0
Michigan transportation	0119	0.0	1,844.6	0.0
Comprehensive transportation	0120	0.0	247.4	0.0
School aid	0122	433.8	10,549.8	495.5
Marine safety	0123	3.4	4.8	2.2

Game and fish protection trust	0124	0.0	9.2	0.0
State park improvement	0125	10.1	28.2	13.9
Forest development	0126	3.4	20.8	0.0
Michigan civilian conservation corps endowment	0128	1.9	1.2	1.8
Michigan natural resources trust	0129	0.0	37.7	0.0
Michigan state parks endowment	0130	0.0	15.5	5.4
Safety education and training	0131	2.9	5.5	2.2
Uninsured employers' security	0135	0.0	1.4	0.0
Bottle deposit	0136	20.0	16.1	5.0
School bond loan	0137	46.0	130.0	109.3
State construction code	0138	6.2	9.0	4.8
Children's trust	0139	0.3	4.7	0.1
Homeowner construction lien recovery	0141	1.6	0.3	0.5
Michigan nongame fish and wildlife	0143	0.7	0.9	0.9
Michigan underground storage tank finance assurance	0160	0.0	65.8	0.0
State building authority	0165	0.0	0.4	0.0
Total		\$1,605.8	\$35,068.0	\$1,760.6"

Second: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the departments of attorney general, civil rights, civil service, management and budget, state, and treasury, the executive office, and the legislative branch for the fiscal year ending September 30, 2000; to provide for the expenditure of these appropriations; to provide for the funding of certain work projects; to provide for the imposition of certain fees; to establish or continue certain funds, programs, and categories; to transfer certain funds; to prescribe certain requirements for bidding on state contracts; to provide for disposition of year-end balances for the fiscal year ending September 30, 2000; to prescribe the powers and duties of certain principal executive departments and state agencies, officials, and employees; and to provide for the disposition of fees and other income received by the various principal executive departments and state agencies.

John J.H. Schwarz, M.D.  
Glenn Steil  
Joe Young, Jr.  
Conferees for the Senate

John Pappageorge  
Janet Kukuk  
Conferees for the House

The Speaker announced that under Joint Rule 9 the conference report would lie over one day.

Rep. Middaugh moved pursuant to Joint Rule 9, that the Journal printing requirement be suspended, printed copies of the conference report having been placed on the members' desks.

The motion prevailed.

The question being on the adoption of the conference report,

The conference report was then not adopted, a majority of the members serving not voting therefor, by yeas and nays, as follows:

**Roll Call No. 726**

**Yeas—0**

**Nays—102**

Allen	Ehardt	Kowall	Rocca
Baird	Faunce	Kuipers	Sanborn
Basham	Frank	Kukuk	Schauer
Birkholz	Geiger	LaSata	Schermesser
Bisbee	Gielegem	Law	Scott
Bishop	Gilbert	Lemmons	Scranton
Bogardus	Godchaux	Lockwood	Shackleton
Bovin	Gosselin	Mans	Sheltrown
Bradstreet	Green	Martinez	Shulman
Brater	Hager	Mead	Spade

Brewer	Hale	Middaugh	Stallworth
Brown, B.	Hanley	Mortimer	Stamas
Brown, C.	Hansen	Neumann	Switalski
Byl	Hardman	O'Neil	Tabor
Callahan	Hart	Pappageorge	Tesanovich
Cassis	Howell	Patterson	Thomas
Caul	Jacobs	Pestka	Toy
Cherry	Jamnick	Price	Van Woerkom
Clark, I.	Jansen	Prusi	Vander Roest
Clarke, H.	Jelinek	Pumford	Vaughn
Daniels	Jellema	Raczkowski	Vear
DeHart	Johnson, Rick	Richardville	Voorhees
Dennis	Julian	Richner	Wojno
DeRossett	Kelly	Rison	Woodward
DeVuyst	Kilpatrick	Rivet	Woronchak
DeWeese	Koetje		

In The Chair: Patterson

The Speaker appointed as conferees, on the part of the House of Representatives, Reps. Pappageorge, Kukuk and Martinez.

---

Rep. DeHart moved that Reps. Prusi, Schermesser and Kelly be excused temporarily from today's session. The motion prevailed.

### **Senate Bill No. 368, entitled**

A bill to make appropriations for the judicial branch for the fiscal year ending September 30, 2000; to provide for the expenditure of these appropriations; to place certain restrictions on the expenditure of these appropriations; to prescribe the powers and duties of certain officials and employees; to require certain reports and to provide for the disposition of fees and other income received by the judicial branch.

The Senate has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

The Conference Report was read as follows:

### **First Conference Report**

The Committee of Conference on the matters of difference between the two Houses concerning

### **Senate Bill No. 368, entitled**

A bill to make appropriations for the judicial branch for the fiscal year ending September 30, 2000; to provide for the expenditure of these appropriations; to place certain restrictions on the expenditure of these appropriations; to prescribe the powers and duties of certain officials and employees; to require certain reports; and to provide for the disposition of fees and other income received by the judicial branch.

Recommends:

First: That the Senate and House agree to the Substitute of the House as passed by the House, amended to read as follows:

A bill to make appropriations for the judicial branch for the fiscal year ending September 30, 2000; to provide for the expenditure of these appropriations; to place certain restrictions on the expenditure of these appropriations; to prescribe the powers and duties of certain officials and employees; to require certain reports; and to provide for the disposition of fees and other income received by the judicial branch.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:  
PART 1  
LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the judicial branch for the fiscal year ending September 30, 2000, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**JUDICIARY**

## APPROPRIATION SUMMARY:

Full-time equated exempted positions .....	583.0	
GROSS APPROPRIATION.....		\$ 228,130,300
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		2,287,400
ADJUSTED GROSS APPROPRIATION .....		\$ 225,842,900
Federal revenues:		
Total federal revenues .....		3,077,800
Special revenue funds:		
Total local revenues .....		2,496,600
Total private revenues .....		1,702,400
Total other state restricted revenues .....		56,074,900
State general fund/general purpose .....		\$ 162,491,200
<b>Sec. 102. SUPREME COURT</b>		
Full-time equated exempted positions .....	283.0	
Supreme court administration—118.0 FTE positions .....		\$ 13,973,900
Judicial institute—18.0 FTE positions .....		2,809,700
State court administrative office—80.0 FTE positions .....		8,675,600
Judicial information systems—21.0 FTE positions .....		4,182,900
Direct trial court automation support—30.0 FTE positions .....		2,496,600
Foster care review board—12.0 FTE positions .....		1,198,700
Community dispute resolution—4.0 FTE positions .....		2,652,600
GROSS APPROPRIATION.....		\$ 35,990,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of career development .....		120,000
IDG from state police - criminal justice improvement .....		1,443,900
IDG from state police - Michigan justice training fund.....		300,000
Federal revenues:		
DAG, agriculture mediation grant.....		469,900
DOE, special education grant.....		130,000
DOJ, victims assistance programs .....		50,000
DOT, national highway safety traffic administration.....		215,300
HHS, access and visitation grant.....		387,000
HHS, court improvement project.....		629,800
HHS, title IV-D child support program .....		419,100
HHS, title IV-E foster care program.....		276,700
HHS, TANF .....		500,000
Special revenue funds:		
Local - user fees .....		2,496,600
Private.....		419,000
Private - interest on lawyers trust accounts .....		712,600
Private - state justice institute .....		500,800
Community dispute resolution fees .....		1,642,300
Law exam fees .....		477,200
Miscellaneous revenue .....		227,900
State court fund.....		319,000
State general fund/general purpose .....		\$ 24,252,900
<b>Sec. 103. COURT OF APPEALS</b>		
Full-time equated exempted positions .....	235.5	
Court of appeals operations—223.5 FTE positions .....		\$ 18,754,800
Delay reduction—12.0 FTE positions .....		950,000
GROSS APPROPRIATION.....		\$ 19,704,800



For Fiscal Year  
Ending Sept. 30,  
2000

Appropriated from:	
Special revenue funds:	
Court filing/motion fees .....	1,571,000
Miscellaneous revenue .....	77,800
State general fund/general purpose .....	\$ 18,056,000
<b>Sec. 104. JUSTICES' AND JUDGES' COMPENSATION</b>	
Full-time judges positions .....	610.0
Supreme court justices' salaries—7.0 judges .....	\$ 975,100
Court of appeals judges' salaries—28.0 judges .....	3,588,400
District court judges' state base salaries—259.0 judges .....	18,463,700
District court judicial salary standardization .....	11,842,500
Probate court judges' state base salaries—106.0 judges .....	7,029,100
Probate court judicial salary standardization .....	4,332,800
Circuit court judges' state base salaries—210.0 judges .....	15,637,000
Circuit court judicial salary standardization .....	9,228,000
Judges' retirement system defined contributions .....	2,204,900
OASI, social security .....	4,002,600
GROSS APPROPRIATION .....	\$ 77,304,100
Appropriated from:	
Special revenue funds:	
Court fee fund .....	6,065,600
State general fund/general purpose .....	\$ 71,238,500
<b>Sec. 105. JUDICIAL AGENCIES</b>	
Full-time equated exempted positions .....	10.0
Judicial tenure commission—10.0 FTE positions .....	\$ 953,700
GROSS APPROPRIATION .....	\$ 953,700
Appropriated from:	
State general fund/general purpose .....	
\$	953,700
<b>Sec. 106. INDIGENT DEFENSE - CRIMINAL</b>	
Full-time equated exempted positions .....	54.5
Appellate public defender program—46.5 FTE positions .....	\$ 4,618,400
Grants to counties for indigent appellate services .....	300,000
Appellate assigned counsel administration—8.0 FTE Positions .....	881,900
GROSS APPROPRIATION .....	\$ 5,800,300
Appropriated from:	
Interdepartmental grant revenues:	
IDG from state police - Michigan justice training fund .....	423,500
Special revenue funds:	
Private - interest on lawyers trust accounts .....	70,000
Miscellaneous revenue .....	113,100
State general fund/general purpose .....	\$ 5,193,700
<b>Sec. 107. INDIGENT CIVIL LEGAL ASSISTANCE</b>	
Indigent civil legal assistance .....	\$ 7,337,000
GROSS APPROPRIATION .....	\$ 7,337,000
Appropriated from:	
Special revenue funds:	
State court fund .....	7,337,000
State general fund/general purpose .....	\$ 0
<b>Sec. 108. TRIAL COURT OPERATIONS</b>	
Court equity fund reimbursements .....	\$ 69,840,400
Hold harmless fund reimbursements .....	8,000,000
GROSS APPROPRIATION .....	\$ 77,840,400
Appropriated from:	
Special revenue funds:	
Court equity fund .....	36,044,000
State general fund/general purpose .....	\$ 41,796,400

For Fiscal Year  
Ending Sept. 30,  
2000

**Sec. 109. GRANTS AND REIMBURSEMENTS TO LOCAL GOVERNMENT**

Drunk driving caseflow program.....	\$	2,000,000
Drug caseflow program.....		200,000
Drug courts .....		1,000,000
GROSS APPROPRIATION.....	\$	<u>3,200,000</u>
Appropriated from:		
Special revenue funds:		
Drug fund .....		200,000
Drunk driving fund .....		2,000,000
State general fund/general purpose .....	\$	1,000,000

**PART 2  
PROVISIONS CONCERNING APPROPRIATIONS**

**GENERAL SECTIONS**

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources for fiscal year 1999-2000 is estimated at \$218,566,100.00 in this act and state spending from state sources paid to local units of government for fiscal year 1999-2000 is estimated at \$114,284,700.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

**SUPREME COURT**

State court administrative office - administration.....	\$	511,900
---	----	---------

**TRIAL COURT OPERATIONS**

Court equity fund reimbursements .....	\$	69,840,400
Hold harmless fund reimbursement.....		8,000,000

**JUSTICES' AND JUDGES' COMPENSATION**

District court judicial salary standardization .....	\$	11,842,500
Probate court judges' state base salaries .....		7,029,100
Probate court judicial salary standardization.....		4,332,800
Circuit court judicial salary standardization.....		9,228,000

**INDIGENT DEFENSE - CRIMINAL**

Grants to counties for indigent appellate services .....	\$	300,000
--	----	---------

**GRANTS AND REIMBURSEMENTS TO LOCAL GOVERNMENT**

Drunk driving caseflow program.....	\$	2,000,000
Drug caseflow program.....		200,000
Drug courts .....		1,000,000
TOTAL .....	\$	<u>114,284,700</u>

(2) If it appears to the principal executive officer of a department or branch that state spending to local units of government will be less than the amount that was projected to be expended under subsection (1), the principal executive officer shall immediately give notice of the approximate shortfall to the state budget director, the house and senate appropriations committees, and the house and senate fiscal agencies.

Sec. 202. (1) The expenditures and funding sources authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(2) Funds appropriated in part 1 to an entity within the judicial branch shall not be expended or transferred to another account without written approval of the authorized agent of the judicial entity. If the authorized agent of the judicial entity notifies the state budget director of its approval of an expenditure or transfer, the state budget director shall immediately make the expenditure or transfer. The authorized judicial entity agent shall be designated by the chief justice of the supreme court.

Sec. 203. As used in this act:

- (a) "DAG" means the United States department of agriculture.
- (b) "DOE" means the United States department of education.
- (c) "DOJ" means the United States department of justice.
- (d) "DOT" means the United States department of transportation.
- (e) "FTE" means full-time equated.
- (f) "HHS" means the United States department of health and human services.
- (g) "IDG" means interdepartmental grant.
- (h) "MDSP" means the department of state police.
- (i) "OASI" means old age survivor's insurance.
- (j) "TANF" means temporary assistance for needy families.

Sec. 204. Funds appropriated in this act shall not be used for the purchase of foreign goods or services when competitively priced American goods and services are available.

Sec. 205. (1) The chief justice of the supreme court shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both, for the judicial branch.

(2) The chief justice shall strongly encourage firms with which the courts of this state contract to subcontract with certified businesses in depressed and deprived communities for services or supplies, or both.

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$500,000.00 for federal contingency funds.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$500,000.00 for state restricted contingency funds.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for local contingency funds.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for private contingency funds.

(5) A transfer of contingency funds within the judicial branch shall not be made by the authorized agent of the judicial entity unless approved by both appropriations committees. If the state budget director does not approve contingency fund transfers adopted by both appropriations committees under this section, the state budget director shall notify the appropriations committees of his or her action within 15 days.

Sec. 208. Sixty days prior to beginning any effort to privatize, the judicial branch shall submit a complete project plan to the appropriate house and senate appropriations subcommittees and the house and senate fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate house and senate appropriations subcommittees and the house and senate fiscal agencies within 30 months.

Sec. 209. The judicial branch shall implement a pilot program that places reports required by this act on the Internet, with electronic notification to legislative offices of Internet access to the reports. During fiscal year 2000, the judicial branch shall continue to distribute all of these reports to the legislature in the current printed format.

Sec. 209a. The judicial branch shall receive and retain copies of all reports funded from appropriations in part 1, and shall follow federal and state guidelines for short-term and long-term retention of these reports and records.

Sec. 210. The judicial branch shall provide a report prepared by the judicial branch's internal auditor for the prior fiscal year. This report shall include a listing of each audit or investigation performed by the internal auditor pursuant to sections 486(4) and 487 of the management and budget act, 1984 PA 431, MCL 18.1486 and 18.1487. The report shall identify the proportion of time spent on each of the statutory responsibilities listed in sections 485(4), 486(4), and 487 of the management and budget act, 1984 PA 431, MCL 18.1485, 18.1486, and 18.1487, and the time spent on all other activities performed in the internal audit function. The report is due first on March 1, 2000, and is due biennially thereafter beginning on May 1, 2002, and shall be submitted to the governor, auditor general, the senate and house appropriations committees, the senate and house fiscal agencies, and the chief justice.

#### **JUDICIAL BRANCH**

Sec. 301. (1) The direct trial court automation support program of the state court administrative office shall recover direct and overhead costs from trial courts by charging for services rendered. The fee shall cover the actual costs incurred to the direct trial court automation support program in providing the service. A report of amounts collected in excess of funds identified as user service charges in part 1 shall be submitted to the state budget director and to the house and senate appropriations subcommittees on judiciary 30 days before expenditure by the direct trial court automation support program.

(2) From funds appropriated in part 1, the direct trial court automation support program of the state court administrative office shall provide to the state budget director, the senate and house appropriations committees, and the senate and house fiscal agencies before January 1 of each year, a detailed list of user service charges collected during the immediately preceding state fiscal year.

Sec. 302. Funds appropriated within the judicial branch shall not be expended by any component within the judicial branch without the approval of the supreme court.

Sec. 303. Of the amount appropriated in part 1 for the judicial branch, \$325,000.00 is allocated for circuit court reimbursement under section 3 of 1978 PA 16, MCL 800.453, and \$186,900.00 is allocated for court of claims reimbursement under section 6413 of the revised judicature act of 1961, 1961 PA 236, MCL 600.6413.

Sec. 304. The judicial branch shall cooperate with the auditor general regarding audits of the judicial branch conducted pursuant to section 53 of article IV of the state constitution of 1963.

Sec. 305. To avoid the overexpenditure of funds appropriated under this act, the supreme court shall report quarterly to the state budget director and to the judiciary subcommittees of the house and senate appropriations committees regarding the status of the accounts set forth in part 1.

Sec. 306. From funds appropriated under part 1, forms required to be developed by the state court administrative office pursuant to section 2950b of the revised judicature act of 1961, 1961 PA 236, MCL 600.2950b, shall be provided in the quantity requested by each county clerk.

Sec. 307. The supreme court shall continue to implement and enforce an appropriate antinepotism policy, which shall include provisions that prohibit a judge from hiring or employing a member of his or her immediate family as a court employee or in any judicial support related capacity.

Sec. 308. Funds appropriated in part 1 shall not be used to pay directly or by reimbursement the annual dues for membership in the state bar of Michigan of a judge, justice, or other employee of the judicial branch.

Sec. 309. (1) The chief financial officer of a funding unit for a court, in cooperation with the local court, shall provide to the state treasurer and state court administrative office by January 1, 2000 audited accounts of all money due and owing the court as of September 30, 1999. Where audited accounts are not available, the chief financial officer of a funding unit for a court may provide estimates as long as they are clearly marked as "estimated".

(2) The state treasurer shall report to the legislature a compilation of the estimated accounts receivable of all courts and cumulative totals by March 1, 2000. This report is a public record.

Sec. 310. The state court administrative office, from funds appropriated in part 1, shall assist the court of appeals and trial courts to meet American bar association model standards on case processing.

Sec. 311. If sufficient funds are not available from the court fee fund to pay judges' compensation, the difference between the appropriated amount from that fund for judges' compensation and the actual amount available after the amount appropriated for trial court reimbursement is made shall be appropriated from the state general fund for judges' compensation.

Sec. 312. Funds appropriated in part 1 for indigent defense shall be used in accordance with terms and conditions of section 1485(11)(b) of the revised judicature act of 1961, 1961 PA 236, MCL 600.1485, including reference to federal prohibitions against providing legal assistance with respect to any proceeding or litigation which seeks to procure an abortion.

Sec. 315. The additional state general fund appropriation for community dispute resolution contained in part 1 shall be used to supplement funding for community dispute resolution centers. The supplemental funding shall be disbursed by formula to achieve a .6 FTE position base level of funding for centers funded through the community dispute resolution act, 1988 PA 260, MCL 691.1551 to 691.1564, with the remainder disbursed based upon performance measures as determined by the state court administrative office in conjunction with representatives of all the community dispute resolution centers.

Sec. 317. (1) The judicial branch shall submit to the department of management and budget, the house and senate appropriations committees, the house and senate fiscal agencies, and the house and senate standing committees having jurisdiction over technology issues quarterly reports on the judicial branch's efforts to change the judicial branch's computer software and hardware as necessary to perform properly in the year 2000 and beyond. These reports shall identify actual progress in comparison to the judicial branch's approved work plan for these efforts.

(2) Beginning with the report on April 1, 2000, the judicial branch shall submit to the department of management and budget, the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the senate and house standing committees having jurisdiction over technology issues quarterly reports identifying for the immediately preceding quarter significant problems with information systems, occurrences of information system failure as a result of noncompliance with year 2000 standards, and previously unidentified areas of impact. These reports shall identify systems needing corrective action and the contractual obligations of accountable parties. These reports shall give the status of the progress made in repairing and testing applications, the status of vendor-supplied solutions to problems, information on the activation of manual or contract processes used to correct problems, and an itemization of the additional costs incurred.

(3) The judicial branch may present progress billings to the department of management and budget for the costs incurred in changing computer software and hardware as necessary to perform properly in the year 2000 and beyond and for costs incurred as a result of initiating corrective actions. At the time progress billings are presented for reimbursement, the judicial branch shall identify the funding sources that should support the work performed, and the department of management and budget shall forward the appropriate funding.

Sec. 318. The appropriations in part 1 for grants to counties for indigent appellate services are intended for a reimbursement pilot program. Distribution of these funds will be by formula established by the state court administrator, Michigan association of counties, and house and senate fiscal agencies. A recommendation shall be presented to the house and senate appropriations subcommittees on judiciary for approval prior to disbursement.

Sec. 319. (1) The state auditor general shall perform an audit of the state appellate defender office to ensure program effectiveness, efficiencies, and compliance with state law.

(2) As a part of the audit, the legislative auditor general shall include an analysis of the state appellate defender office salary schedule for attorneys and supervisors. The analysis shall compare salaries with those in the public and private sectors.

Sec. 320. (1) The funds appropriated in part 1 for drug courts shall be administered by the state court administrative office to implement new drug court programs or for existing drug court programs if federal funds are no longer available. A drug court shall be responsible for handling cases involving substance abusing offenders through comprehensive supervision, testing, treatment services, and immediate sanctions and incentives. A drug court shall use all available county and state personnel involved in the disposition of cases including, but not limited to, parole and probation agents, prosecuting attorney, defense attorney, and community corrections providers.

(2) The funds may be used in connection with federal funds, and local units of government are encouraged to match state funding.

(3) Local units of government are encouraged to refer to federal drug court guidelines to prepare proposals. However, federal agency approval is not required for funding under this section.

Sec. 321. The legislature urges the supreme court to examine court rules and consider changes which would:

(a) Allow candidates for judge to express opinions on political issues.

(b) Allow judges to preside over cases even though they have publicly expressed political opinions in issues generally related to the case.

Second: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the judicial branch for the fiscal year ending September 30, 2000; to provide for the expenditure of these appropriations; to place certain restrictions on the expenditure of these appropriations; to prescribe the powers and duties of certain officials and employees; to require certain reports; and to provide for the disposition of fees and other income received by the judicial branch.

Walter North  
Glenn Steil  
Conferees for the Senate

Mickey Mortimer  
Cameron Brown  
Conferees for the House

The Speaker announced that under Joint Rule 9 the conference report would lie over one day.

Rep. Middaugh moved pursuant to Joint Rule 9, that the Journal printing requirement be suspended, printed copies of the conference report having been placed on the members' desks.

The motion prevailed.

The question being on the adoption of the conference report,

The conference report was then not adopted, a majority of the members serving not voting therefor, by yeas and nays, as follows:

**Roll Call No. 727**

**Yeas—0**

**Nays—98**

Allen	Ehardt	Kukuk	Rocca
Baird	Faunce	LaSata	Sanborn
Basham	Frank	Law	Schauer
Birkholz	Geiger	Lemmons	Scott
Bisbee	Gielegem	Lockwood	Scranton
Bishop	Gilbert	Mans	Shackleton
Bogardus	Godchaux	Martinez	Sheltrown
Bovin	Gosselin	Mead	Shulman
Bradstreet	Hager	Middaugh	Spade
Brater	Hale	Minore	Stallworth
Brewer	Hansen	Mortimer	Stamas
Brown, B.	Hardman	Neumann	Switalski
Brown, C.	Hart	O'Neil	Tabor
Callahan	Howell	Pappageorge	Tesanovich
Cassis	Jacobs	Patterson	Thomas
Caul	Jamnick	Pestka	Toy
Cherry	Jansen	Price	Van Woerkom
Clark, I.	Jelinek	Prusi	Vander Roest

Clarke, H.	Jellema	Pumford	Vaughn
Daniels	Johnson, Rick	Rackowski	Vear
DeHart	Julian	Richardville	Voorhees
Dennis	Kilpatrick	Richner	Wojno
DeRossett	Koetje	Rison	Woodward
DeVuyst	Kowall	Rivet	Woronchak
DeWeese	Kuipers		

In The Chair: Patterson

The Speaker appointed as conferees, on the part of the House of Representatives, Reps. Mortimer, Cameron Brown and Frank.

Rep. DeHart moved that Rep. Schermesser be excused temporarily from today's session.  
The motion prevailed.

### Messages from the Senate

The Speaker laid before the House

**House Bill No. 4471, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 3104, 3109a, 3119, 30101, 30104, 30105, 30109, 32312, 32501, and 32513 (MCL 324.3104, 324.3109a, 324.3119, 324.30101, 324.30104, 324.30105, 324.30109, 324.32312, 324.32501, and 324.32513), section 3104 as amended by 1995 PA 169, section 3109a as added by 1995 PA 70, sections 30101 and 32501 as added by 1995 PA 59, section 30104 as amended by 1996 PA 97, sections 30105 and 30109 as amended by 1995 PA 171, section 32312 as amended by 1995 PA 168, and section 32513 as amended by 1995 PA 170.

(The bill was received from the Senate on June 9, with substitute (S-1), title amendment and immediate effect given by the Senate, consideration of which, under the rules, was postponed until today, see House Journal No. 54, p. 1434.)

The question being on concurring in the adoption of the substitute (S-1) made to the bill by the Senate,

Rep. Brater moved to amend the bill as follows:

1. Amend page 18, following line 14, by inserting:

"(6) NOTWITHSTANDING ANY OTHER PROVISION OF THIS PART, THE DEPARTMENT SHALL NOT ENTER INTO AN AGREEMENT, LEASE, OR DEED FOR GREAT LAKES SUBMERGED LANDS THAT PROVIDES FOR DIRECTIONAL DRILLING FOR OIL OR GAS DEPOSITS."

The question being on the adoption of the amendment offered by Rep. Brater,

Rep. Brater demanded the yeas and nays.

The demand was supported.

The question being on the adoption of the amendment offered by Rep. Brater,

### Point of Order

Rep. Rackowski requested a ruling from the Chair as to whether the amendment offered by Rep. Brater is germane to the bill.

The Chair ruled that the amendment is not germane pursuant to House Rule 64. This amendment introduces a new proposition which is not germane to the subject matter of the bill as introduced and as it is currently before the House.

Rep. Ehardt moved that Rep. Mortimer be excused temporarily from today's session.  
The motion prevailed.

Rep. DeVuyst moved to amend the bill as follows:

1. Amend page 4, line 27, subdivision (B), after "MIXING ZONE DETERMINATION MADE BY THE DEPARTMENT" by striking out the balance of the subdivision and inserting a period and "THE DEPARTMENT SHALL DEVELOP AND MAKE AVAILABLE TO THE PUBLIC AN ANNUAL LIST OF EACH CORRECTIVE ACTION PLAN IN WHICH A MIXING ZONE DETERMINATION HAS BEEN MADE BY THE DEPARTMENT."

The question being on the adoption of the amendment offered by Rep. DeVuyst,

Rep. Brater demanded the yeas and nays.

The demand was supported.

The question being on the adoption of the amendment offered by Rep. DeVuyst,

Rep. Raczkowski moved that consideration of the bill be postponed temporarily.

The motion prevailed.

The Speaker laid before the House

**House Bill No. 4733, entitled**

A bill to amend 1996 PA 376, entitled "Michigan renaissance zone act," by amending the title and sections 3, 4, 5, 6, and 8 (MCL 125.2683, 125.2684, 125.2685, 125.2686, and 125.2688) and by adding sections 8a and 8b.

(The bill was received from the Senate on June 9, with substitute (S-2), title amendment and immediate effect given by the Senate, consideration of which, under the rules, was postponed until today, see House Journal No. 54, p. 1436.)

The question being on concurring in the adoption of the substitute (S-2) made to the bill by the Senate,

Rep. Garcia moved to amend the Senate substitute (S-2) as follows:

1. Amend page 3, line 8, after "means" by striking out the balance of the subdivision and inserting "either of the following:

(i) A county.

(ii) A city, village, or township that contains an eligible distressed area as defined in section 11 of the state housing development authority act of 1966, ~~Act No. 346 of the Public Acts of 1966, being section 125.1411 of the Michigan Compiled Laws~~ 1966 PA 346, MCL 125.1411."

The question being on the adoption of the amendment offered by Rep. Garcia,

Rep. Garcia demanded the yeas and nays.

The demand was supported.

The question being on the adoption of the amendment offered by Rep. Garcia,

The amendment was adopted, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 728**

**Yeas—98**

Allen	DeWeese	Kowall	Rocca
Baird	Ehardt	Kuipers	Sanborn
Basham	Faunce	LaSata	Schauer
Birkholz	Frank	Law	Schermesser
Bisbee	Garcia	Lemmons	Scott
Bishop	Geiger	Lockwood	Scranton
Bogardus	Gielegem	Mans	Shackleton
Bovin	Gilbert	Martinez	Sheltrown
Bradstreet	Gosselin	Mead	Shulman
Brater	Hager	Middaugh	Spade
Brewer	Hale	Minore	Stallworth
Brown, B.	Hanley	Mortimer	Switalski
Brown, C.	Hansen	Neumann	Tabor
Byl	Hardman	O'Neil	Tesanovich
Callahan	Hart	Pappageorge	Thomas
Cassis	Howell	Pestka	Toy
Caul	Jacobs	Price	Van Woerkom

Cherry	Jamnick	Prusi	Vander Roest
Clark, I.	Jansen	Pumford	Vaughn
Clarke, H.	Jelinek	Rackowski	Vear
Daniels	Jellema	Richardville	Voorhees
DeHart	Julian	Richner	Wojno
Dennis	Kelly	Rison	Woodward
DeRossett	Kilpatrick	Rivet	Woronchak
DeVuyst	Koetje		

**Nays—4**

Johnson, Rick	Kukuk	Patterson	Stamas
---------------	-------	-----------	--------

In The Chair: Patterson

Rep. LaSata moved that Rep. Kukuk be excused temporarily from today's session.  
The motion prevailed.

Rep. Birkholz moved that Rep. Godchaux be excused temporarily from today's session.  
The motion prevailed.

The question being on concurring in the Senate substitute (S-2), as amended,  
The Senate substitute (S-2), as amended, was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 729****Yeas—90**

Allen	DeWeese	Kilpatrick	Rivet
Baird	Ehardt	Koetje	Rocca
Basham	Faunce	Kowall	Sanborn
Birkholz	Frank	Kuipers	Schauer
Bisbee	Garcia	LaSata	Scott
Bishop	Geiger	Law	Shackleton
Bogardus	Gielegem	Lemmons	Sheltrown
Brater	Gilbert	Lockwood	Shulman
Brewer	Gosselin	Mans	Spade
Brown, B.	Green	Martinez	Stallworth
Brown, C.	Hager	Mead	Stamas
Byl	Hale	Middaugh	Switalski
Callahan	Hansen	Mortimer	Tabor
Cassis	Hardman	Neumann	Thomas
Caul	Hart	O'Neil	Toy
Cherry	Howell	Pappageorge	Van Woerkom
Clark, I.	Jacobs	Perricone	Vander Roest
Clarke, H.	Jamnick	Pestka	Vaughn
Daniels	Jansen	Pumford	Vear
DeHart	Jelinek	Richardville	Voorhees
Dennis	Jellema	Richner	Woodward
DeRossett	Johnson, Rick	Rison	Woronchak
DeVuyst	Julian		



**Nays—12**

Bovin	Kelly	Prusi	Scranton
Bradstreet	Patterson	Raczkowski	Tesanovich
Hanley	Price	Schermesser	Wojno

In The Chair: Patterson

The House agreed to the title as amended.

**Second Reading of Bills****House Bill No. 4081, entitled**

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," (MCL 257.1 to 257.923) by adding section 811d.

Was read a second time, and the question being on the adoption of the proposed substitute (H-1) previously recommended by the Committee on Conservation and Outdoor Recreation,

The substitute (H-1) was adopted, a majority of the members serving voting therefor.

Rep. DeVuyst moved that the bill be placed on the order of Third Reading of Bills.

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

Rep. Raczkowski moved that the bill be placed on its immediate passage.

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

By unanimous consent the House returned to the order of

**Third Reading of Bills****House Bill No. 4081, entitled**

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," (MCL 257.1 to 257.923) by adding section 811d.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 730****Yeas—85**

Allen	Frank	Kukuk	Rison
Basham	Garcia	LaSata	Rivet
Birkholz	Geiger	Law	Rocca
Bisbee	Gilbert	Lemmons	Sanborn
Bishop	Gosselin	Lockwood	Schauer
Bogardus	Green	Mans	Schermesser
Bovin	Hager	Mead	Scranton
Bradstreet	Hanley	Middaugh	Shackleton
Brown, B.	Hansen	Minore	Sheltrown
Brown, C.	Hart	Mortimer	Shulman
Byl	Howell	Neumann	Spade
Cassis	Jamnick	Pappageorge	Stallworth
Caul	Jansen	Patterson	Stamas
Cherry	Jelinek	Perricone	Tabor
Clark, I.	Jellema	Pestka	Tesanovich
Clarke, H.	Johnson, Rick	Price	Toy
DeHart	Julian	Prusi	Van Woerkom
DeRossett	Kelly	Pumford	Vear
DeVuyst	Koetje	Raczkowski	Voorhees
DeWeese	Kowall	Richardville	Wojno
Ehardt	Kuipers	Richner	Woronchak
Faunce			

**Nays—18**

Baird	Dennis	Martinez	Thomas
Brater	Gielegem	O'Neil	Vander Roest
Brewer	Hale	Scott	Vaughn
Callahan	Hardman	Switalski	Woodward
Daniels	Jacobs		

In The Chair: Patterson

The House agreed to the title of the bill.  
 Rep. Raczkowski moved that the bill be given immediate effect.  
 The motion prevailed, 2/3 of the members serving voting therefor.

**Second Reading of Bills****House Bill No. 4630, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," (MCL 324.101 to 324.90106) by adding part 90.

Was read a second time, and the question being on the adoption of the proposed amendment previously recommended by the Committee on Conservation and Outdoor Recreation (for amendment, see House Journal No. 46, p. 980),

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

Rep. Sheltrown moved to amend the bill as follows:

1. Amend page 2, line 23, after "government" by striking out the balance of the subsection and inserting "GUIDED BY THE REPORTED DEER VEHICLE CRASHES FOR THE PREVIOUS YEAR, AS COMPILED BY THE MICHIGAN DEPARTMENT OF STATE POLICE."

The motion prevailed and the amendment was adopted, a majority of the members serving voting therefor.

Rep. Rison moved that the bill be placed on the order of Third Reading of Bills.

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

Rep. Raczkowski moved that the bill be placed on its immediate passage.

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

---

Rep. Rick Johnson moved that Rep. Allen be excused temporarily from today's session.  
 The motion prevailed.

Rep. Scranton moved that Rep. Godchaux be excused temporarily from today's session.  
 The motion prevailed.

Rep. Hanley moved that Rep. Kilpatrick be excused temporarily from today's session.  
 The motion prevailed.

By unanimous consent the House returned to the order of

**Third Reading of Bills****House Bill No. 4630, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," (MCL 324.101 to 324.90106) by adding part 90.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 731****Yeas—93**

Basham	Garcia	LaSata	Rocca
Birkholz	Geiger	Law	Sanborn
Bisbee	Gilbert	Lemmons	Schauer
Bishop	Gosselin	Lockwood	Schermesser
Bogardus	Green	Mans	Scott
Bovin	Hager	Mead	Scranton
Bradstreet	Hale	Middaugh	Shackleton
Brown, B.	Hanley	Minore	Sheltrown
Brown, C.	Hansen	Mortimer	Shulman
Byl	Hardman	Neumann	Spade
Callahan	Hart	O'Neil	Stallworth
Cassis	Howell	Pappageorge	Stamas
Caul	Jamnick	Patterson	Tabor
Clark, I.	Jansen	Perricone	Tesanovich
Clarke, H.	Jelinek	Pestka	Thomas
Daniels	Jellema	Price	Toy
DeHart	Johnson, Rick	Prusi	Van Woerkom
Dennis	Julian	Pumford	Vaughn
DeRossett	Kelly	Raczkowski	Vear
DeVuyst	Koetje	Richardville	Voorhees
DeWeese	Kowall	Richner	Wojno
Ehardt	Kuipers	Rison	Woodward
Faunce	Kukuk	Rivet	Woronchak
Frank			

**Nays—8**

Baird	Brewer	Jacobs	Switalski
Brater	Gielegthem	Martinez	Vander Roest

In The Chair: Patterson

The House agreed to the title of the bill.

Rep. Raczkowski moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

Reps. Ehardt, Garcia, Hager, Hansen, Jelinek, Julian, Koetje, Kowall, Kuipers, Kukuk, LaSata, Law, Lockwood, Schermesser, Shackleton, Sheltrown and Toy were named co-sponsors of the bill.

Rep. Gielegthem moved that his name be removed as co-sponsor of the bill.

The motion prevailed.

By unanimous consent the House returned to the order of

**Reports of Select Committees****Senate Bill No. 361, entitled**

A bill to make appropriations for the department of consumer and industry services and certain other state purposes for the fiscal year ending September 30, 2000; to provide for the expenditure of those appropriations; to provide for the imposition of certain fees; to provide for the disposition of fees and other income received by the state agencies; to provide for reports to certain persons; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

The Senate has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

The Conference Report was read as follows:

**First Conference Report**

The Committee of Conference on the matters of difference between the two Houses concerning **Senate Bill No. 361, entitled**

A bill to make appropriations for the department of consumer and industry services and certain other state purposes for the fiscal year ending September 30, 2000; to provide for the expenditure of those appropriations; to provide for the imposition of certain fees; to provide for the disposition of fees and other income received by the state agencies; to provide for reports to certain persons; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

Recommends:

First: That the House recede from the Substitute of the House as passed by the House.

Second: That the Senate and House agree to the Substitute of the Senate as passed by the Senate and to the following amendments:

1. Amend page 1, line 1, by striking out all of part 1 and inserting:

“PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. The amounts listed in this part are appropriated for the department of consumer and industry services, subject to the conditions set forth in this act, for the fiscal year ending September 30, 2000, from the funds identified in this part. The following is a summary of the appropriations in this part:

**DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES**

**APPROPRIATION SUMMARY:**

Full-time equated unclassified positions .....	64.5	
Full-time equated classified positions .....	4,148.4	
<b>GROSS APPROPRIATION.....</b>		<b>\$ 495,233,500</b>
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		4,020,900
<b>ADJUSTED GROSS APPROPRIATION .....</b>		<b>\$ 491,212,600</b>
Federal revenues:		
Total federal revenues .....		219,090,000
Special revenue funds:		
Total local revenues .....	0.0	
Total private revenues .....		791,900
Total other state restricted revenues .....		193,473,200
State general fund/general purpose .....		\$ 77,857,500
<b>Sec. 102. EXECUTIVE DIRECTION</b>		
Full-time equated unclassified positions .....	64.5	
Full-time equated classified positions .....	84.0	
Unclassified salaries .....		\$ 5,021,300
Executive director programs—11.0 FTE positions .....		1,778,900
Policy development—9.0 FTE positions .....		1,362,200
Utility consumer representation .....		850,000
Regulatory efficiency improvements/backlog reduction initiative .....		750,000
MES board of review program—21.0 FTE positions .....		1,634,000
Office of legal affairs—43.0 FTE positions .....		3,969,600
<b>GROSS APPROPRIATION.....</b>		<b>\$ 15,366,000</b>

Appropriated from:

Federal revenues:		
DOL-ETA, unemployment insurance .....		2,039,900
DOL, multiple grants for safety and health .....		148,100
Special revenue funds:		
Bank fees .....		174,200
Boiler fees.....		22,500
Construction code fund .....		272,800
Consumer finance fees .....		40,300
Corporation and securities fees .....		181,000

Credit union fees.....	83,500
Elevator fees.....	26,000
Fees and collections/asbestos.....	10,700
Health professions regulatory fund.....	1,818,500
Health systems fees and collections.....	47,600
Insurance regulatory fees.....	539,600
Licensing and regulation fees.....	267,200
Liquor purchase revolving fund.....	1,195,800
Manufactured housing commission fees.....	145,600
Michigan state housing development authority fees and charges.....	295,800
Motor carrier fees.....	25,500
Property development fees.....	4,300
Public utility assessments.....	1,505,200
Safety education and training fund.....	200,300
Second injury fund.....	68,300
Self-insurers security fund.....	18,000
Silicosis and dust disease fund.....	26,200
Utility consumer representation fund.....	850,000
Worker's compensation administrative revolving fund.....	53,200
State general fund/general purpose.....	\$ 5,305,900
<b>Sec. 103. COUNCIL FOR ARTS AND CULTURAL AFFAIRS</b>	
Full-time equated classified positions.....	9.0
Administration—9.0 FTE positions.....	\$ 855,400
Arts and cultural grants.....	21,548,700
GROSS APPROPRIATION.....	\$ 22,404,100
Appropriated from:	
Federal revenues:	
NFAH-NEA, promotion of the arts, state and regional programs.....	700,000
STATE RESTRICTED REVENUES:	
State general fund/general purpose.....	\$ 21,704,100
<b>Sec. 104. FIRE SAFETY</b>	
Full-time equated classified positions.....	54.0
Office of fire safety—54.0 FTE positions.....	\$ 4,368,200
GROSS APPROPRIATION.....	\$ 4,368,200
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of community health, inspection contract.....	109,200
Federal revenues:	
Federal funds.....	1,298,300
Special revenue funds:	
Fire alarm regulation fees.....	164,300
Fire services fees.....	1,618,700
State general fund/general purpose.....	\$ 1,177,700
<b>Sec. 105. MANAGEMENT SERVICES</b>	
Full-time equated classified positions.....	178.0
Administrative services—74.0 FTE positions.....	\$ 5,144,600
Technology support—104.0 FTE positions.....	12,540,000
Health services information systems.....	750,000
Insurance automation.....	750,000
Rent.....	6,306,400
Building occupancy charges - property development services.....	4,767,900
Worker's compensation.....	1,009,900
Special project advances.....	740,000
GROSS APPROPRIATION.....	\$ 32,008,800
Appropriated from:	
Interdepartmental grant revenues:	
Federal revenues:	
DOL-ETA, unemployment insurance.....	342,400
DOL, multiple grants for safety and health.....	671,600

Federal funds .....	751,200
HHS, federal funds .....	76,100
Special revenue funds:	
Private - special project advances .....	740,000
Bank fees .....	299,200
Boiler fee revenue .....	220,700
Construction code fund .....	1,247,100
Consumer finance fees .....	136,500
Corporations and securities fees .....	2,026,700
Credit union fees .....	214,800
Elevator fees .....	321,400
Fees and collections/asbestos .....	52,100
Health professions regulatory fund .....	3,559,200
Health systems fees and collections .....	256,500
Insurance regulatory fees .....	2,164,900
Licensing and regulation fees .....	1,905,300
Liquor license fees .....	160,900
Liquor purchase revolving fund .....	4,948,400
Manufactured housing commission fees .....	117,900
Michigan state housing development authority fees and charges .....	1,780,600
Motor carrier fees .....	187,600
Property development fees .....	6,100
Public utility assessments .....	2,409,700
Safety education and training fund .....	385,700
Second injury fund .....	77,400
Self insurers' security fund .....	20,300
Silicosis and dust disease fund .....	29,900
Worker's compensation administrative revolving fund .....	1,179,100
State general fund/general purpose .....	\$ 5,719,500
<b>Sec. 106. FINANCIAL SERVICES AND CORPORATIONS</b>	
Full-time equated classified positions .....	375.0
Manufactured housing commission, per diem \$50.00 .....	\$ 7,800
Manufactured housing and land resources program—15.0 FTE positions .....	1,456,900
Corporate services—61.0 FTE positions .....	4,923,800
Investment oversight—29.0 FTE positions .....	2,523,800
Local manufactured housing communities inspections .....	250,000
Property development group—13.0 FTE positions .....	1,382,100
Remonumentation grants .....	4,500,000
Financial institutions administration—18.0 FTE positions .....	1,291,100
Bank regulation—50.0 FTE positions .....	5,166,000
Credit union regulation—41.0 FTE positions .....	3,430,600
Financial institutions consumer protection—19.0 FTE positions .....	1,721,200
Financial institutions policy and legislation—5.0 FTE positions .....	371,300
Federal regulatory projects .....	50,600
Insurance bureau administration — 18.0 FTE positions .....	2,155,600
Insurance financial standards — 49.0 FTE positions .....	7,416,100
Insurance licensing and enforcement — 30.0 FTE positions .....	2,533,100
Insurance market standards and consumer services— 27.0 FTE positions .....	2,478,300
<b>GROSS APPROPRIATION</b> .....	\$ 41,658,300
Appropriated from:	
Federal revenues:	
Federal regulatory project revenues .....	50,600
Special revenue funds:	
Private - travel funds .....	5,900
Bank fees .....	5,988,900
Certification and copying fees .....	2,127,500
Consumer finance fees .....	1,972,300
Corporation and securities fees .....	5,731,000
Credit union fees .....	4,019,000

Insurance continuing education fees.....	532,400
Insurance licensing and regulation fees.....	3,127,600
Insurance regulatory fees .....	10,785,300
Land sales fees.....	20,000
Limited liability partnership revenue .....	10,000
Manufactured housing commission fees.....	1,845,800
Multiple employer welfare arrangement.....	131,900
Property development fees .....	231,000
Remonumentation fees .....	5,079,100
State general fund/general purpose .....	\$ 0
<b>Sec. 107. PUBLIC SERVICE COMMISSION</b>	
Full-time equated classified positions .....	151.0
Administration, planning and regulation—151.0 FTE positions .....	\$ 17,415,500
<b>GROSS APPROPRIATION.....</b>	<b>\$ 17,415,500</b>
Appropriated from:	
Interdepartmental grant revenues:	
Federal revenues:	
DOE-OEERE, multiple grants.....	2,227,900
DOT-RSPA, gas pipeline safety .....	265,000
Special revenue funds:	
Private - Great Lakes governors council .....	46,000
Motor carrier fees .....	1,787,700
Public utility assessments .....	13,088,900
State general fund/general purpose .....	\$ 0
<b>Sec. 108. LIQUOR CONTROL COMMISSION</b>	
Full-time equated classified positions .....	183.0
Management support services—43.0 FTE positions .....	\$ 2,929,900
Liquor licensing and enforcement—140.0 FTE positions.....	10,309,800
Liquor law enforcement grants.....	6,000,000
Grant to department of agriculture, wine industry council .....	424,100
<b>GROSS APPROPRIATION.....</b>	<b>\$ 19,663,800</b>
Appropriated from:	
Special revenue funds:	
Liquor license revenue .....	10,773,300
Liquor purchase revolving fund .....	8,466,400
Nonretail liquor license revenue .....	424,100
State general fund/general purpose .....	\$ 0
<b>Sec. 109. MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY</b>	
Full-time equated classified positions .....	233.0
Payments on behalf of tenants .....	\$ 66,000,000
Housing and rental assistance program—227.0 FTE positions .....	21,070,500
Automatic data processing—6.0 FTE positions.....	862,500
Homeless program .....	5,290,800
<b>GROSS APPROPRIATION.....</b>	<b>\$ 93,223,800</b>
Appropriated from:	
Federal revenues:	
HUD, lower income housing assistance program .....	79,049,500
Special revenue funds:	
Michigan state housing development authority fees and charges .....	14,174,300
State general fund/general purpose .....	\$ 0
<b>Sec. 110. TAX TRIBUNAL</b>	
Full-time equated classified positions .....	14.0
Operations—14.0 FTE positions .....	\$ 1,576,500
<b>GROSS APPROPRIATION.....</b>	<b>\$ 1,576,500</b>
Appropriated from:	
Special revenue funds:	
Tax tribunal fees .....	605,500
State general fund/general purpose .....	\$ 971,000

<b>Sec. 111. GRANTS</b>	
Fire protection grants .....	\$ 6,675,000
GROSS APPROPRIATION .....	\$ 6,675,000
Appropriated from:	
Special revenue funds:	
Liquor purchase revolving fund .....	6,675,000
State general fund/general purpose .....	\$ 0
<b>Sec. 112. HEALTH REGULATORY SYSTEMS</b>	
Full-time equated classified positions .....	357.0
Health systems administration—211.0 FTE positions .....	\$ 18,593,600
Nursing home quality incentive grants .....	10,000,000
Emergency medical services program state staff—10.0 FTE positions .....	1,084,200
Radiological health administration and projects—24.0 FTE positions .....	1,876,800
Substance abuse program administration—4.0 FTE positions .....	387,000
Emergency medical services grants and contracts .....	1,062,100
Health services—108.0 FTE positions .....	11,875,400
GROSS APPROPRIATION .....	\$ 44,879,100
Appropriated from:	
Federal revenues:	
Federal funds .....	17,725,100
Special revenue funds:	
Controlled substance license fees .....	1,304,400
Health professions regulatory fund .....	10,121,000
Health systems fees and collections .....	3,722,300
Nurse professional fund .....	450,000
State general fund/general purpose .....	\$ 11,556,300
<b>Sec. 113. REGULATORY SERVICES</b>	
Full-time equated classified positions .....	275.0
AFC, children's welfare and day care licensure—275.0 FTE positions .....	\$ 20,762,800
GROSS APPROPRIATION .....	\$ 20,762,800
Appropriated from:	
Federal revenues:	
HHS, federal funds .....	8,618,500
Special revenue funds:	
Licensing fees .....	460,800
State general fund/general purpose .....	\$ 11,683,500
<b>Sec. 114. OCCUPATIONAL REGULATION</b>	
Full-time equated classified positions .....	240.0
Commissions and boards .....	\$ 41,900
Code enforcement—99.0 FTE positions .....	7,427,600
Code enforcement flexibility .....	632,100
Boiler inspection program—18.0 FTE positions .....	1,449,400
Elevator inspection program—23.0 FTE positions .....	1,740,800
Commercial services—100.0 FTE positions .....	8,194,100
GROSS APPROPRIATION .....	\$ 19,485,900
Appropriated from:	
Special revenue funds:	
Boiler fee revenue .....	1,588,100
Construction code fund .....	7,861,100
Elevator fees .....	1,842,600
Health professions regulatory fund .....	221,600
Homeowner construction lien recovery fund .....	1,528,900
Licensing and regulation fees .....	6,181,100
Real estate appraiser continuing education fund .....	45,000
Real estate education fund .....	217,500
State general fund/general purpose .....	\$ 0
<b>Sec. 115. EMPLOYMENT RELATIONS</b>	
Full-time equated classified positions .....	28.0
Fact finding and arbitration .....	\$ 169,300



Employment and labor relations—28.0 FTE positions .....	2,792,300
GROSS APPROPRIATION.....	\$ 2,961,600
Appropriated from:	
Special revenue funds:	
Publication revenue.....	25,000
State general fund/general purpose .....	\$ 2,936,600
<b>Sec. 116. SAFETY AND REGULATION</b>	
Full-time equated classified positions .....	276.0
Commissions and boards.....	\$ 27,700
Employment standards enforcement—38.0 FTE positions .....	2,434,400
Subgrantees.....	1,026,900
Occupational safety and health—238.0 FTE positions .....	21,235,700
GROSS APPROPRIATION.....	\$ 24,724,700
Appropriated from:	
Federal revenues:	
DOL, multiple grants for safety and health.....	12,202,300
Special revenue funds:	
Fees and collections.....	694,200
Safety education and training fund.....	5,074,800
State general fund/general purpose .....	\$ 6,753,400
<b>Sec. 117. WORKER'S DISABILITY COMPENSATION</b>	
Full-time equated classified positions .....	172.4
Administration—119.0 FTE positions .....	\$ 8,020,100
Board of magistrates administration—8.0 FTE positions .....	1,737,400
Appellate commission administration—11.4 FTE positions .....	803,400
Supplemental benefit fund .....	1,500,000
Insurance funds administration—34.0 FTE positions .....	10,146,300
Automatic data processing .....	506,000
Grant to the department of career development - hire the handicapped program.....	50,000
GROSS APPROPRIATION.....	\$ 22,763,200
Appropriated from:	
Special revenue funds:	
Second injury fund.....	6,456,300
Self insurers' security fund .....	1,720,100
Silicosis and dust disease fund.....	2,525,900
Worker's compensation administrative revolving fund.....	2,011,400
State general fund/general purpose .....	\$ 10,049,500
<b>Sec. 118. UNEMPLOYMENT AGENCY</b>	
Full-time equated classified positions .....	1,519.0
Worker's compensation .....	\$ 622,700
Rent .....	4,232,000
Building occupancy charges - property development service .....	2,071,300
Unemployment programs—1,441.7 FTE positions .....	91,345,500
Advocacy assistance program—8.0 FTE positions.....	1,516,500
Special audit and collections program—34.0 FTE positions .....	2,085,600
Training program for agency staff—2.1 FTE positions .....	1,044,100
Expanded fraud control program—33.2 FTE positions .....	2,378,500
GROSS APPROPRIATION.....	\$ 105,296,200
Appropriated from:	
Interdepartmental grant revenues:	
IDG from family independence agency .....	3,911,700
Federal revenues:	
DOL, employment and training administration .....	500,000
DOL, unemployment insurance.....	88,423,500
Federal reed act funds.....	4,000,000
Special revenue funds:	
Contingent fund, penalty and interest account .....	8,461,000
State general fund/general purpose .....	\$ 0"

2. Amend page 15, line 20, after "at" by striking out "\$270,830,700.00" and inserting "\$256,330,700.00".
3. Amend page 16, line 9, after "director" by inserting a comma and "the house and senate appropriations committees, and the fiscal agencies".
4. Amend page 17, line 6, by striking out all of subdivisions (p) and (q) and relettering the remaining subdivisions.
5. Amend page 17, line 13, by striking out all of sections 203 and 204 and inserting:

"Sec. 203. The appropriations made and the expenditures authorized under this act and the departments, agencies, commissions, boards, offices, and programs for which an appropriation is made under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 204. A department or agency billed by the department of civil service for the 1% charge authorized by section 5 of article XI of the state constitution of 1963 by the end of the first fiscal quarter shall pay the total amount of the billing by the end of the second fiscal quarter."
6. Amend page 18, line 1, by striking out all of sections 206, 207, 208, and 209 and inserting:

"Sec. 206. The department shall not permit any other department, agency, or office of this state to use funds or FTE positions authorized for the department or allow any funds or FTE positions from any other department, agency, or office to be used within the department without a 30-day notice given to the appropriate subcommittees of the house and senate appropriations committees.

Sec. 207. (1) Beginning October 1, 1999, a hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department or to positions that are funded with 80% or more federal or restricted funds.

(2) The state budget director shall grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services. The state budget director shall report by the fifteenth of each month to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous month and the reasons to justify the exceptions.

Sec. 208. The departments and state agencies receiving appropriations under this act shall receive and retain copies of all reports funded from appropriations in part 1. These departments and state agencies shall follow federal and state guidelines for short-term and long-term retention of these reports and records.

Sec. 209. (1) The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies or both for the department.

(2) The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies or both."
7. Amend page 19, line 8, after "available." by striking out the balance of the section.
8. Amend page 19, line 18, by striking out all of section 212.
9. Amend page 20, line 23, by striking out all of sections 214 and 215 and inserting:

"Sec. 214. (1) The department shall submit to the department of management and budget, the house and senate appropriations committees, the fiscal agencies, and the house and senate standing committees having jurisdiction over technology issues quarterly reports on the department's efforts to change the department's computer software and hardware as necessary to perform properly in the year 2000 and beyond. These reports shall identify actual progress in comparison to the department's approved work plan for these efforts.

(2) Beginning with the report on April 1, 2000, the department shall submit to the department of management and budget, the senate and house of representatives standing committees on appropriations, the fiscal agencies, and the senate and house standing committees having jurisdiction over technology issues quarterly reports identifying for the immediately preceding quarter significant problems with information systems, occurrences of information system failure as a result of noncompliance with year 2000 standards, and previously unidentified areas of significant impact. These reports shall identify systems needing corrective action and the contractual obligations of accountable parties. These reports shall give the status of the progress made in repairing and testing applications, the status of vendor supplied solutions to problems, information on the activation of manual or contract processes used to correct problems, and an itemization of the additional costs incurred.

(3) The department may present progress billings to the department of management and budget for the costs incurred in changing computer software and hardware as necessary to perform properly in the year 2000 and beyond and for costs incurred as a result of initiating corrective actions. At the time progress billings are presented for reimbursement, the department shall identify the funding sources that should support the work performed and the department of management and budget shall forward the appropriated funding.

Sec. 215. The department shall provide a report prepared by the department's internal auditor on the activities of the internal auditor for the prior fiscal year. This report shall include a listing of each audit or investigation performed by the internal auditor pursuant to sections 486(4) and 487 of the management and budget act, 1984 PA 431, MCL 18.1486 and 18.1487. The report shall identify the proportion of time spent on each of the statutory responsibilities listed in

sections 485(4), 486(4), and 487 of the management and budget act, 1984 PA 431, MCL 18.1485, 18.1486, and 18.1487, and the time spent on all other activities performed in the internal audit function. The first report shall be due March 1, 2000, and biennially thereafter beginning on May 1 and shall be submitted to the governor, auditor general, the senate and house appropriations committees, the fiscal agencies, and the director.

Sec. 216. The department shall implement a pilot program that places reports required by this act on the Internet, with electronic notification to legislative offices of Internet access to the reports. During fiscal year 2000, the department shall continue to distribute all of these reports to the legislature in the current printed format.”.

10. Amend page 22, line 17, by striking out all of section 305 and inserting:

“Sec. 305. The appropriation in part 1 may be used for per diem payments to the members of commissions or boards for a full day of committee work at which a quorum is present or for performing official business as authorized by each respective commission or board. The per diem payments shall be at a rate as follows:

(a) Michigan board of chiropractic medicine .....	\$50.00 per day
(b) Michigan board of dentistry .....	\$50.00 per day
(c) Michigan board of medicine .....	\$50.00 per day
(d) Board of nursing .....	\$50.00 per day
(e) Michigan board of optometry .....	\$50.00 per day
(f) Michigan board of osteopathic medicine and surgery .....	\$50.00 per day
(g) Michigan board of pharmacy.....	\$50.00 per day
(h) Michigan board of podiatric medicine and surgery.....	\$50.00 per day
(i) Michigan board of psychology.....	\$50.00 per day
(j) Michigan board of physical therapy .....	\$50.00 per day
(k) Physicians’ assistants task force.....	\$50.00 per day
(l) Michigan board of veterinary medicine.....	\$50.00 per day
(m) Michigan board of occupational therapists .....	\$50.00 per day
(n) Michigan board of professional counselors .....	\$50.00 per day
(o) Health occupations council.....	\$50.00 per day
(p) Board of accountancy.....	\$50.00 per day
(q) Board of architects .....	\$50.00 per day
(r) Athletic board of control.....	\$50.00 per day
(s) Board of barber examiners.....	\$50.00 per day
(t) Residential builders’ and maintenance and alteration contractor’s board .....	\$50.00 per day
(u) Carnival-amusement safety board.....	\$50.00 per day
(v) Collection practices board .....	\$50.00 per day
(w) Board of cosmetology.....	\$50.00 per day
(x) Employment agency board .....	\$50.00 per day
(y) Board of professional engineers .....	\$50.00 per day
(z) Board of land surveyors.....	\$50.00 per day
(aa) Board of landscape architects .....	\$50.00 per day
(bb) Board of marriage counselors.....	\$50.00 per day
(cc) Board of examiners in mortuary science .....	\$50.00 per day
(dd) Nursing home administrators’ board.....	\$50.00 per day
(ee) Board of real estate brokers and salespersons .....	\$50.00 per day
(ff) Ski area safety board .....	\$50.00 per day
(gg) Board of examiners of social workers .....	\$50.00 per day
(hh) Commission on professional and occupational licensure .....	\$50.00 per day
(ii) Board of real estate appraisers .....	\$50.00 per day
(jj) Utility consumer participation board.....	\$50.00 per day
(kk) Construction code commission .....	\$50.00 per day
(ll) Plumbing board.....	\$50.00 per day
(mm) Electrical board .....	\$50.00 per day
(nn) Barrier free design board.....	\$50.00 per day
(oo) Mechanical board .....	\$50.00 per day
(pp) Boiler board .....	\$50.00 per day
(qq) Elevator board.....	\$50.00 per day
(rr) General industry safety standards commission.....	\$50.00 per day
(ss) General industry safety standards advisory committees.....	\$50.00 per day
(tt) Construction safety standards commission .....	\$50.00 per day
(uu) Construction safety standards advisory committees.....	\$50.00 per day
(vv) Board of health and safety compliance appeals .....	\$50.00 per day

(ww) Occupation health standards commission.....	\$50.00 per day
(xx) Fire safety board .....	\$50.00 per day
(yy) Occupational health standards advisory committee.....	\$50.00 per day”.

11. Amend page 26, following line 18, by inserting:

“(11) From the funds appropriated in part 1 for arts and cultural grants, organizations receiving grants within the state arts anchor organization category for either the fiscal year ending September 30, 1999 or the fiscal year ending September 30, 2000 shall not receive a combined grant award from this and any other Michigan council for arts and cultural affairs grant categories, with the exception of the partnership program, in excess of 19.8% of the organization’s operating revenue. For the purposes of this subsection, “operating revenue” shall be defined in the same manner as it was defined during the fiscal year 1999 state arts anchor organization application process. It is the intent of the legislature that the Michigan council for arts and cultural affairs take appropriate steps to ensure that all organizations receiving state arts anchor organization grants have combined grant awards, as defined above, of no more than 15.0% of operating revenue for the fiscal year ending September 30, 2005 and beyond.”.

12. Amend page 27, line 15, by striking out all of section 310.

13. Amend page 29, line 24, by striking out all of section 316 and inserting:

“Sec. 316. (1) From the amount appropriated in part 1 to health systems administration, the department shall provide funding for not less than 113 inspectors to annually survey and investigate the care and services delivered in nursing homes, county medical care facilities, and hospital long-term care units in accordance with provisions in the public health code, 1978 PA 368, MCL 333.1101 to 333.25211, and federal Medicare and Medicaid certification standards.

(2) The department, in keeping with the severity of the allegations, shall investigate complaints alleging poor care and services occurring on nights or weekends in nursing homes, county medical care facilities, and hospital long-term care units by conducting on-site investigations on nights or weekends.”.

14. Amend page 32, line 2, by striking out all of sections 321 and 322 and inserting:

“Sec. 321. (1) The department shall develop a nursing home quality care incentive program. The purpose of the program will be to provide financial incentives for nursing homes to develop high quality care services. Grants shall be awarded to nursing homes that can demonstrate an existing commitment to providing high quality care.

(2) The department shall develop the specific criteria for the awarding of these grants. At a minimum, these criteria shall include some measure of resident satisfaction with the level of care provided. The criteria may also include the results of the facility’s annual survey conducted by the department.

(3) The department shall report to the house and senate appropriations committees and the fiscal agencies by October 1, 1999 regarding the exact criteria to be used in awarding the grants.

(4) The department shall both notify nursing home care providers of the criteria to be used in awarding grants and have the grant process in place by January 1, 2000.

(5) The department shall award all grant funds appropriated for this purpose by September 30, 2000 and by September 30 of each year thereafter.”.

15. Amend page 32, line 26, by striking out all of section 324 and inserting:

“Sec. 324. The department, bureau of safety and regulation, shall provide an annual report by February 1 of each year to the appropriate house and senate appropriations subcommittees and the fiscal agencies on the number of individuals killed and the number of individuals injured on the job within industries regulated by the bureau during the preceding calendar year.”.

16. Amend page 33, following line 2, following section 325, by striking out all of section 326 and inserting:

“Sec. 326. As a condition for receiving the general fund/general purpose appropriations in part 1 for health systems administration, the department shall provide assistance to any person making an oral request for a nursing home investigation in putting his or her request into writing, shall initiate investigations on all written nursing home complaints filed with the department within 15 days of receipt of the complaint, and shall provide a written response to the complainant within 30 days of receipt of the written complaint.

Sec. 327. Of the funds appropriated in part 1 for insurance bureau administration, the insurance bureau may utilize up to \$15,000.00 in insurance regulatory and licensing fee revenue to pay for legislators designated by the senate majority leader and speaker of the house of representatives to participate in insurance activities coordinated by insurance and legislative associations including the national association of insurance commissioners and the national council of insurance legislators in accordance with section 225 of the insurance code of 1956, 1956 PA 218, MCL 500.225. The insurance commissioner shall maintain a list of the names of and amounts provided to individual legislators pursuant to this section.

Sec. 328. It is the intent of the legislature that the unemployment agency, during its transition to the remote initial claims system, operate a sufficient number of unemployment agency offices, including itinerant or satellite offices, within Michigan’s Upper Peninsula to ensure that the citizens of the Upper Peninsula can access these offices without excessive travel.

Sec. 329. The department shall provide for the updating of all relevant files and lists maintained by the Michigan child care clearinghouse. The department shall provide a report to the appropriate house and senate appropriations subcommittees on the costs involved with complying with this section by September 30, 2000.

Sec. 330. As a condition for receiving the funds appropriated in part 1 for emergency medical services grants and contracts, the department and the relevant grantees shall work collaboratively to develop a plan to ensure that a sufficient number of qualified emergency medical services personnel exist to serve rural areas of the state. This plan shall be submitted to the relevant house and senate appropriations subcommittees and the fiscal agencies by January 15, 2000.”.

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of consumer and industry services and certain other state purposes for the fiscal year ending September 30, 2000; to provide for the expenditure of those appropriations; to provide for the imposition of certain fees; to provide for the disposition of fees and other income received by the state agencies; to provide for reports to certain persons; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

Glenn Steil  
 Leon Stille  
 Joe Young, Jr.  
 Conferees for the Senate

Patricia Godchaux  
 Janet Kukuk  
 Conferees for the House

The Speaker announced that under Joint Rule 9 the conference report would lie over one day.

Rep. Raczkowski moved pursuant to Joint Rule 9, that the Journal printing requirement be suspended, printed copies of the conference report having been placed on the members’ desks.

The motion prevailed.

The question being on the adoption of the conference report,

The conference report was then adopted, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 732**

**Yeas—56**

Allen	Garcia	Kowall	Richner
Birkholz	Geiger	Kuipers	Rocca
Bisbee	Gilbert	Kukuk	Sanborn
Bishop	Godchaux	LaSata	Scranton
Bradstreet	Green	Law	Shackleton
Brown, C.	Hager	Mead	Shulman
Byl	Hart	Middaugh	Stamas
Cassis	Howell	Mortimer	Tabor
Caul	Jansen	Pappageorge	Toy
DeRossett	Jelinek	Patterson	Van Woerkom
DeVuyst	Jellema	Perricone	Vander Roest
DeWeese	Johnson, Rick	Pumford	Vear
Ehardt	Julian	Raczkowski	Voorhees
Faunce	Koetje	Richardville	Woronchak

**Nays—48**

Baird	DeHart	Kilpatrick	Rivet
Basham	Dennis	Lemmons	Schauer
Bogardus	Frank	Lockwood	Schermesser
Bovin	Gielegem	Mans	Scott
Brater	Gosselin	Martinez	Sheltrown
Brewer	Hale	Minore	Stallworth

Brown, B.	Hanley	Neumann	Switalski
Callahan	Hansen	O'Neil	Tesanovich
Cherry	Hardman	Pestka	Thomas
Clark, I.	Jacobs	Price	Vaughn
Clarke, H.	Jamnack	Prusi	Wojno
Daniels	Kelly	Rison	Woodward

In The Chair: Patterson

Rep. Raczkowski moved that the bill be given immediate effect.  
The motion prevailed, 2/3 of the members serving voting therefor.

Rep. Gosselin, having reserved the right to explain his protest against the passage of the bill, made the following statement:

“Mr. Speaker and members of the House:  
It’s not our money!

A few weeks ago we learned the state has overcharged taxpayers more than \$600 million this year, and expects to overcharge them \$500 million next year. In the peculiar Orwellian phrasing typical of government this overcharge is called a ‘surplus,’ and rather than returning it to the gyped customer right away, as any ethical business would do, we immediately began looking for ways to spend it. And found them.

To be fair, we have decided to return some of the money through a cut in the rate of the Single Business Tax, and it is good we’re moving in the right direction on that job-destroying tax. But the public reaction to the proposed 23-year phaseout of that tax was summed up by one Oakland citizen who said ‘I’ll be dead before that tax goes away.’

The members of the majority caucus in this House were not elected to grow government, but that’s what we’re doing. Economists estimate that inflation over the last few years has been one percent per year or less, and wholesale prices have actually declined. Yet next year’s proposed budget started out by increasing state spending by 3.0 percent, and that was before the legislature piled on extra spending for pet programs and projects.

Now we discover extra money due to the overcharge, and behind closed doors deals are made to increase the growth of government next year by another 1.7 percent, for a grand total of 4.7 percent over the current year!

Where is all this extra money coming from? Studies by the Senate Fiscal Agency comparing state expenditures and revenue by county show a trend in which Oakland County *will soon be a \$1 billion donor* to the rest of the state, if we have not achieved that status already. In 1997 Oakland County citizen subsidized the state \$715, paying \$2,731 in taxes but getting back just \$2,016 in services from the state, and the subsidy has probably grown since then.

Meanwhile, Oakland County is suffering a traffic congestion crisis due to inadequate state investment in transportation infrastructure, and the state is doing absolutely nothing to address that problem.

This is wrong. It’s not our money. We should give it back.”

### Messages from the Senate

The Speaker laid before the House  
**House Bill No. 4666, entitled**

A bill to create the Michigan merit award scholarship trust fund; to create the Michigan merit award scholarship trust fund commission and prescribe the powers and duties of the commission; and to provide for the Michigan merit award scholarship program.

(The bill was received from the Senate on June 9, with substitute (S-2), title amendment and immediate effect given by the Senate, consideration of which, under the rules, was postponed until today, see House Journal No. 54, p. 1411.)

The question being on concurring in the adoption of the substitute (S-2) made to the bill by the Senate,

Rep. Schauer moved to amend the Senate substitute (S-2) as follows:

1. Amend page 5, line 11, by striking out all of subdivision (c) and relettering the remaining subdivisions.

The question being on the adoption of the amendment offered by Rep. Schauer,  
Rep. Schauer demanded the yeas and nays.

The demand was supported.

The question being on the adoption of the amendment offered by Rep. Schauer,

The amendment was not adopted, a majority of the members serving not voting therefor, by yeas and nays, as follows:

**Roll Call No. 733****Yeas—46**

Baird	DeHart	Lemmons	Schauer
Basham	Dennis	Lockwood	Schermesser
Bogardus	Frank	Mans	Scott
Bovin	Gielegem	Martinez	Sheltrown
Brater	Hale	Minore	Spade
Brewer	Hanley	Neumann	Switalski
Brown, B.	Hansen	O'Neil	Tesanovich
Callahan	Hardman	Pestka	Thomas
Cherry	Jacobs	Price	Vaughn
Clark, I.	Jamnick	Prusi	Wojno
Clarke, H.	Kelly	Rivet	Woodward
Daniels	Kilpatrick		

**Nays—55**

Allen	Garcia	Kuipers	Rocca
Birkholz	Geiger	Kukuk	Sanborn
Bisbee	Gilbert	LaSata	Scranton
Bishop	Green	Law	Shackleton
Bradstreet	Hager	Mead	Shulman
Brown, C.	Hart	Middaugh	Stamas
Byl	Howell	Mortimer	Tabor
Cassis	Jansen	Pappageorge	Toy
Caul	Jelinek	Patterson	Van Woerkom
DeRossett	Jellema	Perricone	Vander Roest
DeVuyst	Johnson, Rick	Pumford	Vear
DeWeese	Julian	Rackowski	Voorhees
Ehardt	Koetje	Richardville	Woronchak
Faunce	Kowall	Richner	

In The Chair: Patterson

Rep. Frank moved to amend the Senate substitute (S-2) as follows:

1. Amend page 8, line 5, by striking out "1998-1999" and inserting "1997-1998".

The question being on the adoption of the amendment offered by Rep. Frank,

Rep. Frank demanded the yeas and nays.

The demand was supported.

The question being on the adoption of the amendment offered by Rep. Frank,

The amendment was not adopted, a majority of the members serving not voting therefor, by yeas and nays, as follows:

**Roll Call No. 734****Yeas—44**

Baird	Daniels	Kilpatrick	Schauer
Basham	DeHart	Lemmons	Schermesser

Bogardus	Dennis	Lockwood	Scott
Bovin	Frank	Mans	Sheltrown
Brater	Gielegem	Martinez	Spade
Brewer	Hale	Minore	Switalski
Brown, B.	Hanley	Neumann	Tesanovich
Callahan	Hardman	O'Neil	Thomas
Cherry	Jacobs	Pestka	Vaughn
Clark, I.	Jamnack	Prusi	Wojno
Clarke, H.	Kelly	Rivet	Woodward

**Nays—56**

Allen	Garcia	Kowall	Richner
Birkholz	Geiger	Kuipers	Rocca
Bisbee	Gilbert	Kukuk	Sanborn
Bishop	Green	LaSata	Scranton
Bradstreet	Hager	Law	Shackleton
Brown, C.	Hansen	Mead	Shulman
Byl	Hart	Middaugh	Stamas
Cassis	Howell	Mortimer	Tabor
Caul	Jansen	Pappageorge	Toy
DeRossett	Jelinek	Patterson	Van Woerkom
DeVuyst	Jellema	Perricone	Vander Roest
DeWeese	Johnson, Rick	Pumford	Vear
Ehardt	Julian	Rackowski	Voorhees
Faunce	Koetje	Richardville	Woronchak

In The Chair: Patterson

Rep. Garcia moved that Rep. Kowall be excused temporarily from today's session.  
The motion prevailed.

Rep. Pumford moved to amend the Senate substitute (S-2) as follows:

1. Amend page 12, following line 2, subsection (11), after "May take, and" by striking out "the school district in which the student resides" and inserting "the board".
2. Amend page 12, following line 2, subsection (11) after "test at a" by striking out "school designated by the school district" and inserting "site designated by the board".

The motion prevailed and the amendments were adopted, a majority of the members serving voting therefor.

Rep. Frank moved to amend the Senate substitute (S-2) as follows:

1. Amend page 8, line 4, after "11" by inserting "or 12".

The question being on the adoption of the amendment offered by Rep. Frank,

Rep. Frank demanded the yeas and nays.

The demand was supported.

The question being on the adoption of the amendment offered by Rep. Frank,

The amendment was not adopted, a majority of the members serving not voting therefor, by yeas and nays, as follows:

**Roll Call No. 735****Yeas—50**

Baird	Dennis	Mans	Schermesser
Basham	Frank	Martinez	Scott



Bogardus	Gielegem	Minore	Sheltrown
Bovin	Hale	Neumann	Spade
Brater	Hanley	O'Neil	Stallworth
Brewer	Hansen	Pestka	Switalski
Brown, B.	Hardman	Price	Tesanovich
Callahan	Jacobs	Prusi	Thomas
Cherry	Jamnick	Richardville	Vaughn
Clark, I.	Kelly	Rison	Vear
Clarke, H.	Kilpatrick	Rivet	Wojno
Daniels	Lemmons	Schauer	Woodward
DeHart	Lockwood		

**Nays—53**

Allen	Garcia	Koetje	Rackowski
Birkholz	Geiger	Kowall	Richner
Bisbee	Gilbert	Kuipers	Rocca
Bishop	Godchaux	Kukuk	Sanborn
Bradstreet	Green	LaSata	Scranton
Brown, C.	Hager	Law	Shulman
Byl	Hart	Mead	Stamas
Cassis	Howell	Middaugh	Tabor
Caul	Jansen	Mortimer	Toy
DeRossett	Jelinek	Pappageorge	Van Woerkom
DeVuyst	Jellema	Patterson	Vander Roest
DeWeese	Johnson, Rick	Perricone	Voorhees
Ehardt	Julian	Pumford	Woronchak
Faunce			

In The Chair: Patterson

The question being on concurring in the Senate substitute (S-2), as amended,

The substitute (S-2), as amended, was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 736****Yeas—75**

Allen	Faunce	Kukuk	Schauer
Baird	Frank	LaSata	Schermesser
Birkholz	Garcia	Law	Shackleton
Bisbee	Geiger	Lockwood	Sheltrown
Bishop	Gielegem	Mans	Shulman
Bradstreet	Gilbert	Mead	Spade
Brewer	Green	Middaugh	Stamas
Brown, B.	Hager	Mortimer	Switalski
Brown, C.	Hart	Neumann	Tabor
Byl	Howell	Pappageorge	Toy
Cassis	Jamnick	Patterson	Van Woerkom
Caul	Jansen	Perricone	Vander Roest
Cherry	Jelinek	Pestka	Vaughn
Clark, I.	Jellema	Pumford	Vear
DeHart	Johnson, Rick	Rackowski	Voorhees
DeRossett	Julian	Richardville	Wojno

DeVuyst  
DeWeese  
Ehardt

Koetje  
Kowall  
Kuipers

Richner  
Rocca  
Sanborn

Woodward  
Woronchak

### Nays—27

Basham  
Bogardus  
Bovin  
Brater  
Callahan  
Clarke, H.  
Daniels

Dennis  
Gosselin  
Hale  
Hanley  
Hansen  
Hardman  
Jacobs

Kelly  
Kilpatrick  
Lemmons  
Martinez  
Minore  
O'Neil  
Price

Prusi  
Rison  
Rivet  
Scott  
Tesanovich  
Thomas

In The Chair: Patterson

The House agreed to the title as amended.

Rep. Hansen Clarke, having reserved the right to explain his protest against the passage of the bill, made the following statement:

“Mr. Speaker and members of the House:

This program will be funded by the proceeds of the tobacco settlement and I believe that a significant amount of these funds should be used for health and tobacco prevention efforts.”

By unanimous consent the House returned to the order of

### Reports of Standing Committees

The Speaker laid before the House  
**House Resolution No. 119.**

A resolution to create the Select Committee on Strategies to Reduce Teen Pregnancies.

(For text of resolution, see House Journal No. 53, p. 1380.)

(The resolution was reported by the Committee on House Oversight and Operations on June 9, consideration of which was postponed until today under the rules.)

The question being on the adoption of the resolution,

Rep. Raczkowski moved to substitute (H-1) the resolution as follows:

### Substitute for House Resolution No. 119.

A resolution to create the Select Committee on Strategies to Reduce Teen Pregnancies.

Whereas, The problems associated with teen pregnancies have exacted enormous social and financial costs on society. In addition to the difficulties faced by the individuals involved in each instance, children having children creates pressures in a host of public policy areas. The problems generated by teens ill prepared for the responsibilities of parenthood touch every state and region. This issue influences our schools, public health, and the economy directly and a host of public policy concerns indirectly; and

Whereas, In spite of the complexity of concerns surrounding teen pregnancy in America, there are approaches that seem to work, even in the most difficult settings. Clearly, the implications to society of teen pregnancy demand thorough consideration of all policy options; now, therefore, be it

Resolved by the House of Representatives, That there be created the Select Committee on Strategies to Reduce Teen Pregnancies. The membership of the select committee shall be appointed by the Speaker of the House in the same manner as standing committees of the House of Representatives are appointed. The select committee will function during the 1999 and 2000 Regular Sessions of the Legislature, the interim between the 1999 and 2000 Regular Sessions of the Legislature, and until December 31, 2000, and shall report its findings and recommendations to the House by December 31, 2000; and be it further

Resolved, That the select committee is hereby authorized to expend a maximum amount of \$1,000 in carrying out its duties and such additional expenditures deemed necessary by the chair of the committee and approved by the Speaker of the House. Payments for contractual services may be authorized by the committee chair and the Speaker of the House.

The motion prevailed and the substitute (H-1) was adopted, a majority of the members serving voting therefor.

The question being on the adoption of the resolution,

The resolution was adopted.

The Speaker laid before the House

**House Resolution No. 120.**

A resolution to create the Select Committee on Restorative Justice.

(For text of resolution, see House Journal No. 53, p. 1381.)

(The resolution was reported by the Committee on House Oversight and Operations on June 9, consideration of which was postponed until today under the rules.)

The question being on the adoption of the resolution,

Rep. Raczkowski moved to substitute (H-1) the resolution as follows:

**Substitute for House Resolution No. 120.**

A resolution to create the Select Committee on Restorative Justice.

Whereas, In spite of the best efforts of the law enforcement and justice network, our corrections system often fails to repair the true damage done by crime. Our costly emphasis on imprisonment does little to assist the victims of criminal acts, which includes the community at large. While Michigan has taken major strides and has been a leader in advancing restitution and rights of crime victims in the criminal justice process, much more needs to be addressed if we are to measure success in corrections as something more than time served; and

Whereas, In several areas of the country, the concept of restorative justice is being used to make criminals personally responsible for their actions. Restorative justice uses jail as a last resort and promotes reconciliation through an intense program of contact, follow-up, meetings with community representatives, and vigorous collection of funds for financial restitution. The key to these efforts is redefining a crime not as an offense against some amorphous law, but an injury to specific people whose sufferings will not disappear from the criminal's life. This concept deserves serious study; now, therefore, be it

Resolved by the House of Representatives, That there be created the Select Committee on Restorative Justice. The membership of the select committee shall be appointed by the Speaker of the House in the same manner as standing committees of the House of Representatives are appointed. The select committee will function during the 1999 and 2000 Regular Sessions of the Legislature, the interim between the 1999 and 2000 Regular Sessions of the Legislature, and until December 31, 2000, and shall report its findings and recommendations to the House by December 31, 2000; and be it further

Resolved, That the select committee is hereby authorized to expend a maximum amount of \$1,000 in carrying out its duties and such additional expenditures deemed necessary by the chair of the committee and approved by the Speaker of the House. Payments for contractual services may be authorized by the committee chair and the Speaker of the House.

The motion prevailed and the substitute (H-1) was adopted, a majority of the members serving voting therefor.

The question being on the adoption of the resolution,

The resolution was adopted.

The Speaker laid before the House

**House Concurrent Resolution No. 43.**

A concurrent resolution to create the Joint Legislative Select Committee on Wayne County Detroit Metropolitan Airport.

(For text of resolution, see House Journal No. 53, p. 1381.)

(The concurrent resolution was reported by the Committee on House Oversight and Operations on June 9, consideration of which was postponed until today under the rules.)

The question being on the adoption of the concurrent resolution,

Rep. Perricone moved to substitute (H-1) the concurrent resolution as follows:

**Substitute for House Concurrent Resolution No. 43.**

A concurrent resolution to create the Joint Legislative Select Committee on Wayne County Detroit Metropolitan Airport.

Whereas, The quality and reliability of air transportation services are fundamentally important to the economic strength of a region. With the increased impact of the global marketplace, any community or state hoping to compete effectively must offer air travelers efficiency, safety, cost-effectiveness, and responsiveness to adverse conditions and situations; and

Whereas, Air travel service is an increasingly vital component of the resources a community offers to individuals and businesses. This service must center on convenience for the consumer, innovation in seeking better ways to handle the movement of people and goods, and a genuine commitment to making the facility as easy and pleasant to visit as possible; and

Whereas, For many years, observers, especially veteran air travelers, have remarked on problems at Wayne County Detroit Metropolitan Airport. There have been many accounts of frustrating experiences of congestion, lack of fundamental services, and inadequate response to customers. Recently, a major winter snowstorm served to amplify the seriousness of the problems at the state's most important air transportation center. In this instance, there were well-publicized accounts of deplorable conditions and treatment of stranded travelers, far beyond acceptable standards even in the worst weather crisis; and

Whereas, If Michigan is to continue its growth, Detroit Metro must operate at the highest possible level of excellence and responsiveness; now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That there be created the Joint Legislative Select Committee on Wayne County Detroit Metropolitan Airport. The House membership of the joint select committee shall be appointed by the Speaker of the House in the same manner as standing committees of the House of Representatives are appointed, and the Senate membership shall be appointed by the Senate Majority Leader in the same manner as standing committees of the Senate are appointed. The select committee will function during the 1999 and 2000 Regular Sessions of the Legislature, the interim between the 1999 and 2000 Regular Sessions of the Legislature, and until December 31, 2000, and shall report its findings and recommendations to the Legislature by December 31, 2000; and be it further

Resolved, That the select committee is hereby authorized to expend a maximum amount of \$10,000 in carrying out its duties and such additional expenditures deemed necessary by the chair of the committee and approved by the Speaker of the House and the Senate Majority Leader. Payments for contractual services may be authorized by the committee chair, the Speaker of the House, and the Senate Majority Leader.

The motion prevailed and the substitute (H-1) was adopted, a majority of the members serving voting therefor.

Rep. Bogardus moved to amend the concurrent resolution as follows:

1. Amend the second Resolving clause, line 2, after "of" by striking out "10,000" and inserting "\$1,000".

The motion did not prevail and the amendment was not adopted, a majority of the members serving not voting therefor.

The question being on the adoption of the concurrent resolution,

Rep. Kilpatrick demanded the yeas and nays.

The demand was supported.

The question being on the adoption of the concurrent resolution,

After debate,

Rep. Koetje demanded the previous question.

The demand was supported.

The question being, "Shall the main question now be put?"

The previous question was ordered.

The question being on the adoption of the concurrent resolution,

The concurrent resolution was adopted, a majority of the members serving voting therefor, by yeas and nays, as follows:

### Roll Call No. 737

### Yeas—55

Allen	Garcia	Kuipers	Richner
Birkholz	Gilbert	Kukuk	Rocca
Bisbee	Gosselin	LaSata	Sanborn
Bishop	Green	Law	Shackleton
Bradstreet	Hager	Mead	Shulman
Brown, C.	Hart	Middaugh	Stamas
Byl	Howell	Mortimer	Tabor
Cassis	Jansen	O'Neil	Toy

Caul	Jelinek	Pappageorge	Van Woerkom
DeRossett	Jellema	Patterson	Vander Roest
DeVuyst	Johnson, Rick	Perricone	Vear
DeWeese	Julian	Pumford	Voorhees
Ehardt	Koetje	Rackowski	Woronchak
Faunce	Kowall	Richardville	

**Nays—47**

Baird	DeHart	Lemmons	Schermesser
Basham	Dennis	Lockwood	Scott
Bogardus	Frank	Mans	Sheltrown
Bovin	Gielegem	Martinez	Spade
Brater	Hale	Minore	Stallworth
Brewer	Hanley	Neumann	Switalski
Brown, B.	Hansen	Pestka	Tesanovich
Callahan	Hardman	Price	Thomas
Cherry	Jacobs	Prusi	Vaughn
Clark, I.	Jamnick	Rison	Wojno
Clarke, H.	Kelly	Rivet	Woodward
Daniels	Kilpatrick	Schauer	

In The Chair: Patterson

Rep. Dennis, having reserved the right to explain her protest against the adoption of the concurrent resolution, made the following statement:

“Mr. Speaker and members of the House:

I voted in opposition to House Concurrent Resolution 43 because of the chilling effect of these broad, sweeping investigatory powers. They undermine both the legislative committee process and the Administration’s own executive powers. The open-ended, blank check provisions of this resolution should be a Red Flag to those who believe our government is already too intrusive. The ‘fig leaf’ on expenditures for the work of this Select Committee appears to be an invitation to a gravy train ride for political cronies with pet projects to exact political revenge on their opposition. Taxpayers have already footed the bill for an Administration to handle this issue. A case has yet to be made which demonstrates the failure of either the Administration or the Legislature in execution of their duties in this particular matter. Therefore, members and colleagues, I vote no on House Concurrent Resolution No. 43.”

Rep. Jacobs, having reserved the right to explain her protest against the adoption of the concurrent resolution, made the following statement:

“Mr. Speaker and members of the House:

While I recognize there are serious problems at Metro Airport, I feel that this resolution is purely politically motivated. First of all, no state tax dollars support the airport and its operations. I feel that any investigation could be done through established standing committees. According to this resolution, there is no assurance that this committee would be a bi-partisan committee and, most importantly, we are writing a ‘blank check’ in order to carry out the investigation.”

Rep. Minore, having reserved the right to explain his protest against the adoption of the concurrent resolution, made the following statement:

“Mr. Speaker and members of the House:

I oppose the resolution for a number of reasons, the principal one being that it authorized unlimited expenditures without legislative oversight. The language states ‘...the committee is...authorized to expend...such additional expenditures deemed necessary...and approved by the Speaker...and the Senate Majority Leader.’

This language opens a black hole down which dollars can be poured with the sole oversight of 2-3 people, not the legislature!

Passage of this Resolution without legislative review of expenditures by the entire legislature is fiscally irresponsible.

The Federal 'Ken Starr experience' looms heavily on my mind."

Rep. Jamnick, having reserved the right to explain her protest against the adoption of the concurrent resolution, made the following statement:

"Mr. Speaker and members of the House:

Once again discussion on the floor was stopped while members were standing, waiting to be recognized.

My no vote doesn't speak to not supporting or supporting a study of airport operations, but to the lack of respect for colleagues.

This is not why our electorate sent us here. All of our opinions are valid and to be heard, even should we disagree with one another."

Rep. Bogardus, having reserved the right to explain her protest against the adoption of the concurrent resolution, made the following statement:

"Mr. Speaker and members of the House:

I voted no on HCR 43 because I believe it has the potential of costing an unlimited amount of taxpayer dollars. The investigation, if needed, could be conducted by either the Transportation or Oversight Committee. This is a potentially costly duplication of services."

---

Associate Speaker Pro Tempore Scranton resumed the Chair.

### Quorum Call

Rep. Raczkowski questioned the presence of a quorum and moved that the roll be called and printed in the Journal. The motion prevailed.

The roll was called and the Clerk announced that a quorum was present.

The following is the roll call:

#### Roll Call No. 738

#### Yeas—95

Allen	Frank	Kukuk	Rocca
Baird	Garcia	LaSata	Sanborn
Basham	Geiger	Law	Schauer
Birkholz	Gielegem	Lemmons	Schermesser
Bisbee	Gilbert	Lockwood	Scott
Bishop	Godchaux	Mans	Scranton
Bogardus	Gosselin	Martinez	Shackleton
Bovin	Green	Mead	Sheltrown
Bradstreet	Hager	Middaugh	Shulman
Brater	Hale	Minore	Spade
Brown, B.	Hanley	Mortimer	Stamas
Brown, C.	Hansen	Neumann	Switalski
Byl	Hart	O'Neil	Tabor
Callahan	Howell	Pappageorge	Thomas
Cassis	Jacobs	Patterson	Toy
Caul	Jamnick	Perricone	Van Woerkom
Cherry	Jelinek	Pestka	Vander Roest
DeHart	Jellema	Price	Vaughn

Dennis	Johnson, Rick	Prusi	Vear
DeRossett	Julian	Pumford	Voorhees
DeVuyst	Kelly	Raczkowski	Wojno
DeWeese	Koetje	Richardville	Woodward
Ehardt	Kowall	Richner	Woronchak
Faunce	Kuipers	Rison	

In The Chair: Scranton

Rep. Law moved that Rep. Toy be excused from the balance of today's and tomorrow's sessions.  
The motion prevailed.

By unanimous consent the House returned to the order of

#### Motions and Resolutions

Reps. Clarke, Hansen, Dennis, Spade, Pappageorge, Kelly, Hale, Bishop, Rivet, LaForge, DeHart, Prusi, Vear, Bogardus, Jammick, Schermesser, Thomas, Quarles, Koetje, Kilpatrick, Hardman, Jacobs, Lemmons, Brater, Hanley, Baird, DeRossett, Toy, Kowall, Hager and Vander Roest offered the following resolution:

#### **House Resolution No. 133.**

A resolution honoring the members of People's Missionary Baptist Church for their devoted and dedicated service.

Whereas, We are proud to recognize the members of People's Missionary Baptist Church both past and present. As this family of believers celebrate their faith and the triumphs they have shared, we are pleased to add our voice of thanks for the many ways in which this church has touched and enriched not only its loyal membership, but also the community at large; and

Whereas, People's Missionary Baptist Church was founded in 1931. Its origins can be traced to the vision and prayerfulness of a small but fervent group of people who came together with a wish to worship and the desire to share their concern for others. In a spirit of unity that has only grown stronger with the passing of the years, People's Missionary Baptist Church has been devoted to carrying out these noble ideals ever since. Milestones of its history, just as a church building itself, stand as symbols of commitment and stewardship; and

Whereas, Since the days when circuit-riding clerics rode through the forests to lead services, Michigan's people have come together to share their deepest emotions through congregations like People's Missionary Baptist Church. Whether praying for a good harvest, celebrating love in marriage, or marking the passing of a dear friend and loved one from this life, we all draw great strength from sharing with one another through church. The history of People's Missionary Baptist Church provides a wonderful example of how much this faith and unselfishness mean to our entire state; now, therefore, be it

Resolved by the House of Representatives, That the members of this legislative body join with the members and friends of People's Missionary Baptist Church in honoring their members for their devoted and dedicated service. We add our thanks and best wishes on this momentous occasion; and be it further

Resolved, That a copy of this resolution be transmitted to People's Missionary Baptist Church as a token of our esteem.

Pending the reference of the resolution to a committee,

Rep. Raczkowski moved that Rule 77 be suspended and the resolution be considered at this time.

The motion prevailed, 3/5 of the members present voting therefor.

The question being on the adoption of the resolution,

The resolution was adopted.

Reps. Clarke, Hansen, Dennis, Spade, Pappageorge, Kelly, Hale, Bishop, Rivet, LaForge, DeHart, Prusi, Vear, Bogardus, Jammick, Schermesser, Thomas, Koetje, Kilpatrick, Hardman, Jacobs, Lemmons, Brater, Hanley, Baird, DeRossett, Toy, Kowall and Hager offered the following resolution:

#### **House Resolution No. 134.**

A resolution to honor E. Douglas Dennard on his 60 years of charter membership at People's Missionary Baptist Church.

Whereas, The observance of E. Douglas Dennard's 60 years of dedicated service reaches far beyond People's Missionary Baptist Church and the community of Detroit. In his long and devoted efforts to offer spiritual and personal guidance to others through the ministry, this dedicated and unselfish man has touched many lives through the power of faith. Gifts like these are of importance to everyone; and

Whereas, In the years since E. Douglas Dennard came to work with the individuals and families at People's Missionary Baptist Church, the congregation has come to value highly all of the talents of this outstanding and effective spiritual leader. Whether helping people celebrate the great turning points in life, like weddings and baptisms, or sharing the sad moments of a loved one's passing, E. Douglas Dennard has brought the peace of deep faith and the hope that faith makes possible in every situation; and

Whereas, As the family and friends who have come to witness E. Douglas Dennard's good works can attest, the public moments of services are only part of the presence of E. Douglas Dennard. His private help to the needy, through encouragement, prayer, or putting a person in touch with someone with the resources to help, has constituted a true gift. Through those who have been blessed by these works, the entire community has been enriched; now, therefore, be it

Resolved by the House of Representatives, That we are indeed grateful to honor E. Douglas Dennard as he celebrates his 60 years of charter membership to People's Missionary Baptist Church. Our great state is blessed that he chose Michigan for his heavenly mission; and be it further

Resolved, That a copy of this resolution be transmitted to E. Douglas Dennard as a symbol of our esteem.

Pending the reference of the resolution to a committee,

Rep. Raczkowski moved that Rule 77 be suspended and the resolution be considered at this time.

The motion prevailed, 3/5 of the members present voting therefor.

The question being on the adoption of the resolution,

The resolution was adopted.

Reps. Clarke, Hansen, Dennis, Spade, Pappageorge, Kelly, Hale, Bishop, Rivet, LaForge, DeHart, Prusi, Vear, Bogardus, Jamnick, Schermesser, Thomas, Koetje, Kilpatrick, Hardman, Jacobs, Lemmons, Brater, Hanley, Baird, DeRossett, Toy, Kowall and Hager offered the following resolution:

**House Resolution No. 135.**

A resolution to honor Lois Starks on her 60 years of charter membership with People's Missionary Baptist Church.

Whereas, The observance of Lois Starks' 60 years of dedicated service reaches far beyond the People's Missionary Baptist Church and the community of Detroit. In her long and devoted efforts to offer spiritual and personal guidance to others through the ministry, this dedicated and unselfish woman has touched many lives through the power of faith. Gifts like these are of importance to everyone; and

Whereas, In the years since Lois Starks came to work with the individuals and families at People's Missionary Baptist Church, the congregation has come to value highly all of the talents of this outstanding and effective spiritual leader. Whether helping people celebrate the great turning points in life, like weddings and baptisms, or sharing the sad moments of a loved one's passing, Lois Starks has brought the peace of deep faith and the hope that faith makes possible in every situation; and

Whereas, As the family and friends who have come to witness Lois Starks' good works can attest, the public moments of services and sermons are only part of the presence of Lois Starks. Her private help to the needy, through encouragement, prayer, or putting a person in touch with someone with the resources to help, has constituted a true gift. Through those who have been blessed by these works, the entire community has been enriched; now, therefore, be it

Resolved by the House of Representatives, That we are indeed grateful to honor Lois Starks as she celebrates her 60 years of charter membership with People's Missionary Baptist Church. Our great state is blessed that she chose Michigan for her heavenly mission; and be it further

Resolved, That a copy of this resolution be transmitted to Lois Starks as a symbol of our esteem.

Pending the reference of the resolution to a committee,

Rep. Raczkowski moved that Rule 77 be suspended and the resolution be considered at this time.

The motion prevailed, 3/5 of the members present voting therefor.

The question being on the adoption of the resolution,

The resolution was adopted.

Reps. Clarke, Hansen, Dennis, Spade, Pappageorge, Kelly, Hale, Bishop, Rivet, LaForge, DeHart, Prusi, Vear, Bogardus, Jamnick, Schermesser, Thomas, Koetje, Kilpatrick, Hardman, Jacobs, Lemmons, Brater, Hanley, Baird, DeRossett, Toy, Kowall and Hager offered the following resolution:

**House Resolution No. 136.**

A resolution to honor Claudia Thomas on her 60 years of charter membership with People's Missionary Baptist Church.



Whereas, The observance of Claudia Thomas' 60 years of dedicated service reaches far beyond the People's Missionary Baptist Church and the community of Detroit. In her long and devoted efforts to offer spiritual and personal guidance to others through the ministry, this dedicated and unselfish woman has touched many lives through the power of faith. Gifts like these are of importance to everyone; and

Whereas, In the years since Claudia Thomas came to work with the individuals and families at People's Missionary Baptist Church, the congregation has come to value highly all of the talents of this outstanding and effective spiritual leader. Whether helping people celebrate the great turning points in life, like weddings and baptisms, or sharing the sad moments of a loved one's passing, Claudia Thomas has brought the peace of deep faith and the hope that faith makes possible in every situation; and

Whereas, As the family and friends who have come to witness Claudia Thomas's good works can attest, the public moments of services are only part of the presence of Claudia Thomas. Her private help to the needy, through encouragement, prayer, or putting a person in touch with someone with the resources to help, has constituted a true gift. Through those who have been blessed by these works, the entire community has been enriched; now, therefore, be it

Resolved by the House of Representatives, That we are indeed grateful to honor Claudia Thomas as she celebrates her 60 years of charter membership with People's Missionary Baptist Church. Our great state is blessed that she chose Michigan for her heavenly mission; and be it further

Resolved, That a copy of this resolution be transmitted to Claudia Thomas as a symbol of our esteem.

Pending the reference of the resolution to a committee,

Rep. Raczkowski moved that Rule 77 be suspended and the resolution be considered at this time.

The motion prevailed, 3/5 of the members present voting therefor.

The question being on the adoption of the resolution,

The resolution was adopted.

Reps. Clarke, Hansen, Dennis, Spade, Pappageorge, Kelly, Hale, Bishop, Rivet, LaForge, DeHart, Prusi, Vear, Bogardus, Jamnick, Schermesser, Thomas, Koetje, Kilpatrick, Hardman, Jacobs, Lemmons, Brater, Hanley, Baird, DeRossett, Toy, Kowall and Hager offered the following resolution:

**House Resolution No. 137.**

A resolution to honor Mrs. Ordarean Allen on her devotion and dedication to People's Missionary Baptist Church.

Whereas, The observance of the devotion and dedicated service of Mrs. Ordarean Allen is an event of significance far beyond the reaches of People's Missionary Baptist Church and the community of Detroit. In her long and devoted efforts to offer spiritual and personal guidance to others through the ministry, this dedicated and unselfish woman has touched many lives through the power of faith. Gifts like these are of importance to everyone; and

Whereas, In the years since Mrs. Ordarean Allen came to work with the individuals and families at People's Missionary Baptist Church, the congregation has come to value highly all of the talents of this outstanding and effective spiritual leader. Whether helping people celebrate the great turning points in life, like weddings and baptisms, or sharing the sad moments of a loved one's passing, Mrs. Ordarean Allen has brought the peace of deep faith and the hope that faith makes possible in every situation; and

Whereas, As the family and friends who have come to witness Mrs. Ordarean Allen's good works can attest, the public moments of services and sermons are only part of the presence of Mrs. Ordarean Allen. Her private help to the needy, through encouragement, prayer, or putting a person in touch with someone with the resources to help, has constituted a true gift. Through those who have been blessed by these works, the entire community has been enriched; now, therefore, be it

Resolved by the House of Representatives, That we are indeed grateful to honor Mrs. Ordarean Allen and celebrate her devotion and dedication to People's Missionary Baptist Church. Our great state is blessed that she chose Michigan for her heavenly mission; and be it further

Resolved, That a copy of this resolution be transmitted to Mrs. Ordarean Allen as a symbol of our esteem.

Pending the reference of the resolution to a committee,

Rep. Raczkowski moved that Rule 77 be suspended and the resolution be considered at this time.

The motion prevailed, 3/5 of the members present voting therefor.

The question being on the adoption of the resolution,

The resolution was adopted.

**Reports of Standing Committees**

**COMMITTEE ATTENDANCE REPORT**

The following report, submitted by Rep. Richner, Chair of the Committee on Family and Civil Law, was received and read:

Meeting held on: Wednesday, June 9, 1999, at 8:30 a.m.,

Present: Reps. Richner, Shulman, Hart, Koetje, Law, Sanborn, Voorhees, Baird, Minore, Switalski, Schermesser.

### Introduction of Bills

Reps. Mead, Green, Rick Johnson, Ehardt, Jelinek and Jellema introduced

**House Bill No. 4767, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 36111 (MCL 324.36111), as amended by 1996 PA 567, and by adding part 362.

The bill was read a first time by its title and referred to the Committee on Agriculture and Resource Management.

Reps. Mead, Green, Rick Johnson, Ehardt, Jelinek and Jellema introduced

**House Bill No. 4768, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," (MCL 324.101 to 324.90106) by adding sections 36204, 36205, 36206, 36207, and 36208.

The bill was read a first time by its title and referred to the Committee on Agriculture and Resource Management.

Reps. Rick Johnson, Caul, Garcia, Ehardt, Woodward, Daniels, Jelinek, Mead, Howell, Allen, Richardville, Julian, DeRossett, Rivet, Mans, DeVuyst, Vear and Green introduced

**House Bill No. 4769, entitled**

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 801 (MCL 257.801), as amended by 1998 PA 384.

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

Reps. Tabor, Sanborn, Julian, Pappageorge, Allen, Rick Johnson, Voorhees, Ehardt, DeHart, Hart, Garcia, Bradstreet, Vear, Patterson, Mans, Gosselin, DeWeese and Cassis introduced

**House Bill No. 4770, entitled**

A bill to prohibit the dissemination of certain labeled sound recordings to minors; to prohibit acts including the purchase or attempted purchase of labeled sound recordings by minors; and to prescribe penalties.

The bill was read a first time by its title and referred to the Committee on Family and Civil Law.

Reps. Garcia, Mans, Schermesser, Bovin, Pappageorge, Rick Johnson, Allen, Ehardt, Raczkowski, Howell, Kelly, Van Woerkom, Patterson, Mortimer, Woodward, Hager, Caul, Bishop, Vander Roest, Kowall, DeRossett, Richner, Lemmons, Toy and DeHart introduced

**House Bill No. 4771, entitled**

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending section 506 (MCL 206.506), as amended by 1996 PA 484.

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

Reps. Law, Toy, Shackleton, Hart, Rick Johnson, Baird, Middaugh, LaSata, Mortimer, Garcia, Green, O'Neil, Neumann, Tabor, Howell, Bovin, Bogardus and Lockwood introduced

**House Bill No. 4772, entitled**

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 17401 (MCL 333.17401), as amended by 1997 PA 151.

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

Reps. Law, Jellema, Bisbee, DeWeese, Middaugh, Howell, Kelly, Shulman and Cassis introduced

**House Bill No. 4773, entitled**

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 16221 (MCL 333.16221), as amended by 1998 PA 227.

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

Reps. Mead, Pumford, Birkholz, Jellema and Allen introduced

**House Bill No. 4774, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 9112 and 9121 (MCL 324.9112 and 324.9121), section 9112 as added by 1995 PA 60 and section 9121 as amended by 1996 PA 173, and by adding section 9111a.

The bill was read a first time by its title and referred to the Committee on Conservation and Outdoor Recreation.

Reps. Shulman, Kowall, Gosselin, Woodward, Jacobs, Voorhees, Brater, Bishop and Raczkowski introduced

**House Bill No. 4775, entitled**

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending section 507 (MCL 600.507), as amended by 1994 PA 138.

The bill was read a first time by its title and referred to the Committee on Family and Civil Law.

Reps. Julian, Gilbert, LaSata, Toy, Bradstreet, Vear, Green, Middaugh, Garcia, Richardville, Tabor, Allen, Pappageorge and Raczkowski introduced

**House Bill No. 4776, entitled**

A bill to create a veterans speakers program within the department of military and veterans affairs; and to prescribe duties for certain state officials.

The bill was read a first time by its title and referred to the Committee on Veterans Affairs.

Reps. Gosselin, Richner, Birkholz, Garcia, Kuipers, DeWeese, Vear, Voorhees, Bishop, Jansen and Raczkowski introduced

**House Bill No. 4777, entitled**

A bill to promote the uniform regulation of intrastate and interstate commerce; and to prevent certain overlapping, duplicative, or conflicting regulation by local units of government.

The bill was read a first time by its title and referred to the Committee on Employment Relations, Training and Safety.

By unanimous consent the House returned to the order of

**Messages from the Senate**

**House Bill No. 4298, entitled**

A bill to make appropriations for community colleges for the fiscal year ending September 30, 2000; to provide for the expenditure of the appropriations; to establish or continue certain funds, programs, and categories; and to prescribe the powers and duties of certain state departments, officers, and employees.

(For text of conference report, see House Journal No. 54, p. 1412.)

The Senate has adopted the report of the Committee of Conference.

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

**House Bill No. 4299, entitled**

A bill to make appropriations for the department of community health and certain state purposes related to mental health, public health, and medical services for the fiscal year ending September 30, 2000; to provide for the expenditure of such appropriations; to create funds; to provide for reports; to prescribe the powers and duties of certain local and state agencies and departments; and to provide for disposition of fees and other income received by the various state agencies.

(For text of conference report, see House Journal No. 55, p. 1452.)

The Senate has adopted the report of the Committee of Conference.

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

**House Bill No. 4301, entitled**

A bill to make appropriations for the department of education and certain other purposes relating to education for the fiscal year ending September 30, 2000; to provide for the expenditure of the appropriations; to prescribe the powers and duties of certain state departments, school districts, and other governmental bodies; and to provide for the disposition of fees and other income received by certain legal entities and state agencies.

(For text of conference report, see House Journal No. 55, p. 1451.)

The Senate has adopted the report of the Committee of Conference.  
The bill was referred to the Clerk for enrollment printing and presentation to the Governor.

**House Bill No. 4302, entitled**

A bill to make appropriations for the state institutions of higher education and certain state purposes related to education for the fiscal year ending September 30, 2000; to provide for the expenditures of those appropriations; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

(For text of conference report, see House Journal No. 54, p. 1398.)

The Senate has adopted the report of the Committee of Conference.  
The bill was referred to the Clerk for enrollment printing and presentation to the Governor.

**House Bill No. 4586, entitled**

A bill to amend 1937 PA 94, entitled "Use tax act," by amending section 4k (MCL 205.94k), as amended by 1996 PA 477.

The Senate has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

The House agreed to the full title.  
The bill was referred to the Clerk for enrollment printing and presentation to the Governor.

**House Bill No. 4658, entitled**

A bill to amend 1986 PA 32, entitled "An act to provide for the establishment of emergency telephone districts; to provide for the installation, operation, modification, and maintenance of universal emergency number service systems; to provide for the imposition and collection of certain charges; to provide the powers and duties of certain state agencies, local units of government, public officers, telephone service suppliers, and others; to create an emergency telephone service committee; to provide remedies; to provide penalties; and to repeal certain parts of this act on specific dates," by amending section 201 (MCL 484.1201), as amended by 1994 PA 29, and by adding sections 407, 408, 409, 410, 411, and 412; and to repeal acts and parts of acts.

The Senate has concurred in the House amendment to the Senate amendments, ordered that it be given immediate effect and agreed to the full title.

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

**House Bill No. 4666, entitled**

A bill to create the Michigan merit award scholarship trust fund; to create the Michigan merit award scholarship board and prescribe the powers and duties of the board; and to provide for the Michigan merit award scholarship program.

The Senate has concurred in the House amendments to the Senate substitute (S-2).  
The bill was referred to the Clerk for enrollment printing and presentation to the Governor.

**House Concurrent Resolution No. 25.**

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 Southwestern Michigan College relative to the Southwestern Michigan College South County Extension Center.

(For text of resolution, see House Journal No. 27, p. 493.)

The Senate has adopted the concurrent resolution.  
The concurrent resolution was referred to the Clerk for record.

**House Concurrent Resolution No. 40.**

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 Michigan Technological University relative to the Michigan Technological University Center for Ecosystem Science.

(For text of resolution, see House Journal No. 52, p. 1346.)

The Senate has adopted the concurrent resolution.  
The concurrent resolution was referred to the Clerk for record.

**House Concurrent Resolution No. 41.**

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 Alpena Community College relative to the Alpena Community College Concrete Technology Center.

(For text of resolution, see House Journal No. 52, p. 1347.)

The Senate has adopted the concurrent resolution.

The concurrent resolution was referred to the Clerk for record.

**Senate Bill No. 368, entitled**

A bill to make appropriations for the judicial branch for the fiscal year ending September 30, 2000; to provide for the expenditure of these appropriations; to place certain restrictions on the expenditure of these appropriations; to prescribe the powers and duties of certain officials and employees; to require certain reports and to provide for the disposition of fees and other income received by the judicial branch.

The Senate has appointed Senators North, Steil and A. Smith as second conferees to join with Reps. Mortimer, Cameron Brown and Frank.

The bill was referred to the Conference Committee on June 10, 1999.

**Senate Bill No. 366, entitled**

A bill to make appropriations for the departments of attorney general, civil rights, civil service, management and budget, state, and treasury, the executive office, and the legislative branch for the fiscal year ending September 30, 2000; to provide for the expenditure of these appropriations; to provide for the funding of certain work projects; to provide for the imposition of certain fees; to establish or continue certain funds, programs, and categories; to transfer certain funds; to prescribe certain requirements for bidding on state contracts; to provide for disposition of year-end balances for the fiscal year ending September 30, 2000; to prescribe the powers and duties of certain principal executive departments and state agencies, officials, and employees; and to provide for the disposition of fees and other income received by the various principal executive departments and state agencies.

The Senate has appointed Senators Schwarz, Steil and Young as second conferees to join with Reps. Pappageorge, Kukuk and Martinez.

The bill was referred to the Conference Committee on June 10, 1999.

**House Bill No. 4498, entitled**

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 6, 11, 11g, 13, 17b, 18, 20, 20b, 24, 26a, 31a, 31c, 36, 36a, 51a, 53a, 56, 61a, 62, 63, 67, 68, 81, 91b, 101, 104a, 105, 147, and 166b (MCL 388.1606, 388.1611, 388.1611g, 388.1613, 388.1617b, 388.1618, 388.1620, 388.1620b, 388.1624, 388.1626a, 388.1631a, 388.1631c, 388.1636, 388.1636a, 388.1651a, 388.1653a, 388.1656, 388.1661a, 388.1662, 388.1663, 388.1667, 388.1668, 388.1681, 388.1691b, 388.1701, 388.1704a, 388.1705, 388.1747, and 388.1766b), sections 6, 11, 11g, 17b, 20, 20b, 26a, 31a, 51a, 63, 81, and 105 as amended by 1998 PA 553, sections 13 and 18 as amended by 1996 PA 300, sections 24, 31c, 36, 36a, 53a, 56, 61a, 62, 68, 101, 147, and 166b as amended by 1998 PA 339, section 67 as amended by 1997 PA 142, section 91b as added by 1995 PA 130, and section 104a as amended by 1997 PA 176, and by adding sections 20j, 20k, 20l, 32, 43, 44, and 169c; and to repeal acts and parts of acts.

The Senate has substituted (S-1) the bill.

The Senate has passed the bill as substituted (S-1), ordered that it be given immediate effect and amended the title to read as follows:

A bill to amend 1979 PA 94, entitled "An act to make appropriations to aid in the support of the public schools and the intermediate school districts of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to supplement the school aid fund by the levy and collection of certain taxes; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to prescribe penalties; and to repeal acts and parts of acts," by amending sections 6, 11, 11f, 11g, 13, 17b, 18, 20, 20b, 24, 26a, 31a, 31c, 36, 36a, 41, 51a, 53a, 54, 56, 57, 61a, 62, 63, 67, 68, 74, 81, 91b, 94, 99, 101, 104a, 105, 107, 147, and 166b (MCL 388.1606, 388.1611, 388.1611f, 388.1611g, 388.1613, 388.1617b, 388.1618, 388.1620, 388.1620b, 388.1624, 388.1626a, 388.1631a, 388.1631c, 388.1636, 388.1636a, 388.1641, 388.1651a, 388.1653a, 388.1654, 388.1656, 388.1657, 388.1661a, 388.1662, 388.1663, 388.1667, 388.1668, 388.1674, 388.1681, 388.1691b, 388.1694, 388.1699, 388.1701, 388.1704a, 388.1705, 388.1707, 388.1747, and 388.1766b), sections 6, 11, 11g, 17b, 20, 20b, 26a, 31a, 51a, 63, 81, and 105 as amended by 1998 PA 553, sections 11f, 24, 31c, 36, 36a, 41, 53a, 54, 56, 57, 61a, 62, 68, 74, 94, 99, 101, 107, 147, and 166b as amended by 1998 PA 339, sections 13 and 18 as amended by 1996 PA 300,

section 67 as amended by 1997 PA 142, section 91b as added by 1995 PA 130, and section 104a as amended by 1997 PA 176, and by adding sections 20j, 20k, 31d, 32, 33, 34, 43, and 105c; and to repeal acts and parts of acts.

The Speaker announced that pursuant to Rule 45, the bill was laid over one day.

Rep. Raczkowski moved that Rule 45 be suspended.

The motion prevailed, 3/5 of the members present voting therefor.

The question being on concurring in the adoption of the substitute (S-1) made to the bill by the Senate,

Reps. Geiger and Martinez moved to amend the Senate substitute (S-1) as follows:

1. Amend page 76, line 18, by striking out “NONPROFIT EDUCATIONAL AGENCIES,”.

2. Amend page 77, line 2, after “LOCAL” by striking out “OR OTHER NONSTATE”.

The question being on the adoption of the amendments offered by Reps. Geiger and Martinez,

Rep. DeWeese demanded the yeas and nays.

The demand was supported.

The question being on the adoption of the amendments offered by Reps. Geiger and Martinez,

The amendments were adopted, a majority of the members serving voting therefor, by yeas and nays, as follows:

### Roll Call No. 739

### Yeas—79

Baird	Garcia	Law	Scott
Basham	Geiger	Lockwood	Scranton
Bogardus	Gielegem	Mans	Shackleton
Bovin	Godchaux	Martinez	Sheltrown
Brater	Hager	Mead	Shulman
Brewer	Hale	Minore	Spade
Brown, B.	Hanley	Neumann	Stallworth
Brown, C.	Hansen	O'Neil	Stamas
Callahan	Hardman	Pappageorge	Switalski
Caul	Howell	Pestka	Tabor
Cherry	Jacobs	Price	Tesanovich
Clark, I.	Jamnick	Prusi	Thomas
Clarke, H.	Jelinek	Pumford	Toy
Daniels	Johnson, Rick	Quarles	Van Woerkom
DeHart	Julian	Raczkowski	Vaughn
Dennis	Kelly	Richardville	Vear
DeRossett	Kilpatrick	Rison	Wojno
DeVuyst	Koetje	Rivet	Woodward
Faunce	Kowall	Schauer	Woronchak
Frank	LaSata	Schermesser	

### Nays—25

Allen	DeWeese	Jellema	Patterson
Birkholz	Gilbert	Kuipers	Richner
Bisbee	Gosselin	Kukuk	Rocca
Bishop	Green	Lemmons	Sanborn
Bradstreet	Hart	Middaugh	Vander Roest
Byl	Jansen	Mortimer	Voorhees
Cassis			

In The Chair: Scranton

Rep. O'Neil moved to amend the Senate substitute (S-1) as follows:

1. Amend page 19, line 7, by striking out “\$9,590,537,700.00” and inserting “\$9,603,037,700.00”.

- 2. Amend page 19, line 12, after "OF" by striking out "\$10,033,634,700.00" and inserting "\$10,046,134,700.00".
- 3. Amend page 55, following line 15, by inserting:

"SEC. 20I. FROM THE STATE SCHOOL AID FUND APPROPRIATION IN SECTION 11, THERE IS ALLOCATED FOR EACH FISCAL YEAR FOR 1998-99 AND 1999-2000 AN AMOUNT NOT TO EXCEED \$12,500,000.00 FOR PAYMENTS TO DISTRICTS THAT DO NOT RECEIVE PAYMENTS UNDER SECTION 20K AND IN WHICH THE NUMBER OF MILLS LEVIED IN 1993 FOR SCHOOL OPERATING PURPOSES IN THE 1993-94 SCHOOL YEAR WAS AT LEAST 3 MILLS LESS THAN THE NUMBER OF MILLS LEVIED IN 1992 FOR SCHOOL OPERATING PURPOSES IN THE 1992-93 SCHOOL YEAR. THE AMOUNT OF THE PAYMENT UNDER THIS SECTION FOR EACH FISCAL YEAR FOR 1998-99 AND 1999-2000 FOR EACH DISTRICT THAT IS DETERMINED BY THE DEPARTMENT TO MEET THE CRITERIA UNDER THIS SECTION SHALL BE \$500,000.00. IT IS THE INTENT OF THE LEGISLATURE THAT THE ALLOCATION UNDER THIS SECTION SHALL CONTINUE IN THE SAME AMOUNT FOR 2000-2001."

The question being on the adoption of the amendments offered by Rep. O'Neil,

Rep. O'Neil moved that consideration of the bill be postponed temporarily.  
The motion prevailed.

The Speaker laid before the House

**House Bill No. 4499, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 40102 and 40103 (MCL 324.40102 and 324.40103), as amended by 1998 PA 86, and by adding section 40111a; and to repeal acts and parts of acts.

(The bill was received from the Senate on June 9, with amendments, full title inserted and immediate effect given by the Senate, consideration of which, under the rules, was postponed until today, see House Journal No. 54, p. 1435.)

The question being on concurring in the adoption of the amendments made to the bill by the Senate,

The amendments were concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 740**

**Yeas—87**

Allen	Faunce	Kowall	Richner
Baird	Frank	Kuipers	Rison
Basham	Garcia	Kukuk	Rivet
Birkholz	Geiger	LaSata	Rocca
Bisbee	Gielegghem	Law	Sanborn
Bishop	Gilbert	Lemmons	Schauer
Bovin	Godchaux	Lockwood	Scranton
Brater	Gosselin	Mans	Shackleton
Brewer	Green	Martinez	Shulman
Brown, B.	Hager	Mead	Spade
Brown, C.	Hansen	Middaugh	Stamas
Byl	Hart	Minore	Switalski
Cassis	Howell	Mortimer	Tabor
Cherry	Jacobs	Pappageorge	Tesanovich
Clark, I.	Jamnick	Patterson	Toy
Clarke, H.	Jansen	Perricone	Van Woerkom
DeHart	Jelinek	Pestka	Vander Roest
Dennis	Jellema	Price	Vear
DeRossett	Johnson, Rick	Prusi	Voorhees
DeVuyst	Julian	Pumford	Woodward
DeWeese	Kelly	Rackowski	Woronchak
Ehardt	Koetje	Richardville	

**Nays—18**

Bradstreet	Hanley	Quarles	Stallworth
Callahan	Hardman	Schermesser	Thomas

Caul  
Daniels  
Hale

Kilpatrick  
Neumann  
O'Neil

Scott  
Sheltrown

Vaughn  
Wojno

In The Chair: Scranton

The House agreed to the full title of the bill.

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

The House returned to the consideration of  
**House Bill No. 4498, entitled**

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 6, 11, 11g, 13, 17b, 18, 20, 20b, 24, 26a, 31a, 31c, 36, 36a, 51a, 53a, 56, 61a, 62, 63, 67, 68, 81, 91b, 101, 104a, 105, 147, and 166b (MCL 388.1606, 388.1611, 388.1611g, 388.1613, 388.1617b, 388.1618, 388.1620, 388.1620b, 388.1624, 388.1626a, 388.1631a, 388.1631c, 388.1636, 388.1636a, 388.1651a, 388.1653a, 388.1656, 388.1661a, 388.1662, 388.1663, 388.1667, 388.1668, 388.1681, 388.1691b, 388.1701, 388.1704a, 388.1705, 388.1747, and 388.1766b), sections 6, 11, 11g, 17b, 20, 20b, 26a, 31a, 51a, 63, 81, and 105 as amended by 1998 PA 553, sections 13 and 18 as amended by 1996 PA 300, sections 24, 31c, 36, 36a, 53a, 56, 61a, 62, 68, 101, 147, and 166b as amended by 1998 PA 339, section 67 as amended by 1997 PA 142, section 91b as added by 1995 PA 130, and section 104a as amended by 1997 PA 176, and by adding sections 20j, 20k, 20l, 32, 43, 44, and 169c; and to repeal acts and parts of acts.

(The bill was considered earlier today, see today's Journal, p. 1549.)

The question being on the adoption of the amendments offered previously by Rep. O'Neil,

Rep. O'Neil demanded the yeas and nays.

The demand was supported.

The question being on the adoption of the amendments offered previously by Rep. O'Neil,

The amendments were not adopted, a majority of the members serving not voting therefor, by yeas and nays, as follows:

**Roll Call No. 741**

**Yeas—53**

Baird	Frank	Mans	Schauer
Basham	Gielegem	Minore	Schermesser
Bogardus	Gilbert	Neumann	Scott
Bovin	Hale	O'Neil	Shackleton
Brewer	Hanley	Pestka	Sheltrown
Brown, B.	Hansen	Price	Spade
Callahan	Hardman	Prusi	Stallworth
Cherry	Jacobs	Quarles	Switalski
Clark, I.	Jamnack	Richardville	Tesanovich
Clarke, H.	Kelly	Rison	Thomas
Daniels	Kilpatrick	Rivet	Vaughn
DeHart	Lemmons	Rocca	Wojno
Dennis	Lockwood	Sanborn	Woodward
Faunce			

**Nays—52**

Allen	Ehardt	Julian	Pumford
Birkholz	Garcia	Koetje	Rackowski
Bisbee	Geiger	Kowall	Richner
Bishop	Godchaux	Kuipers	Scranton
Bradstreet	Gosselin	Kukuk	Shulman



Brater	Green	LaSata	Stamas
Brown, C.	Hager	Law	Tabor
Byl	Hart	Mead	Toy
Cassis	Howell	Middaugh	Van Woerkom
Caul	Jansen	Mortimer	Vander Roest
DeRossett	Jelinek	Pappageorge	Vear
DeVuyst	Jellema	Patterson	Voorhees
DeWeese	Johnson, Rick	Perricone	Woronchak

In The Chair: Scranton

The question being on concurring in the Senate substitute (S-1), as amended,

The Senate substitute (S-1), as amended, was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 742**

**Yeas—101**

Allen	Faunce	Koetje	Rison
Baird	Frank	Kowall	Rivet
Basham	Garcia	Kuipers	Rocca
Birkholz	Geiger	Kukuk	Sanborn
Bisbee	Gielegem	LaSata	Schauer
Bishop	Gilbert	Law	Schermesser
Bogardus	Godchaux	Lemmons	Scott
Bovin	Gosselin	Lockwood	Scranton
Bradstreet	Green	Mans	Sheltrown
Brater	Hager	Martinez	Shulman
Brewer	Hale	Mead	Spade
Brown, B.	Hanley	Minore	Stallworth
Byl	Hansen	Mortimer	Stamas
Callahan	Hardman	Neumann	Switalski
Cassis	Hart	Pappageorge	Tabor
Caul	Howell	Patterson	Tesanovich
Cherry	Jacobs	Perricone	Thomas
Clark, I.	Jamnack	Pestka	Toy
Clarke, H.	Jansen	Price	Van Woerkom
Daniels	Jelinek	Prusi	Vander Roest
DeHart	Jellema	Pumford	Vear
Dennis	Johnson, Rick	Quarles	Voorhees
DeRossett	Julian	Raczkowski	Wojno
DeVuyst	Kelly	Richardville	Woodward
DeWeese	Kilpatrick	Richner	Woronchak
Ehardt			

**Nays—5**

Brown, C.	O'Neil	Shackleton	Vaughn
Middaugh			

In The Chair: Scranton

The House agreed to the title as amended.  
 Rep. Raczkowski moved that the bill be given immediate effect.  
 The motion prevailed, 2/3 of the members serving voting therefor.

Rep. Cameron Brown, having reserved the right to explain his nay vote, made the following statement:

“Mr. Speaker and members of the House:

My reason for voting against HB 4498 (S-1) is because of the Senate inclusion of a \$15 million gift to Detroit Public Schools. This money belongs to all of Michigan’s Public School Districts not just Detroit, and it should be distributed accordingly.

At the time the Detroit School Rescue Plan was presented, the House was told that money was not the issue and that in fact the Detroit Schools were flush with some \$90 plus million dollars. Money should not be an issue now. One House should not be bound by the promise made by another House without the consent of the former.”

Reps. Middaugh and Shackleton, having reserved the right to explain their nay vote, made the following statement:

“Mr. Speaker and members of the House:

I voted against HB 4498 because it includes an additional \$15 million dollars for Detroit Public Schools. Detroit already receives more per pupil than nearly all of my districts and this payment comes directly from the School Aid Fund. Payments to my district are directly affected by the appropriation of this money. I do support all other provisions of the bill.”

### Second Reading of Bills

#### Senate Bill No. 206, entitled

A bill to amend 1976 PA 451, entitled “The revised school code,” (MCL 380.1 to 380.1852) by adding section 1311a.

The bill was read a second time.

Rep. Bogardus moved to amend the bill as follows:

1. Amend page 8, line 11, by striking out all of line 11 through “EXPULSION.” on line 14 and inserting “THE EXPELLING SCHOOL BOARD SHALL PLACE THE INDIVIDUAL IN A SUITABLE ALTERNATIVE EDUCATION PROGRAM OR STRICT DISCIPLINE ACADEMY TO CONTINUE HIS OR HER EDUCATION DURING THE EXPULSION.”.

2. Amend page 8, line 19, after “DISTRICTS” by striking out the balance of the line through “INDIVIDUALS” on line 20.

The question being on the adoption of the amendments offered by Rep. Bogardus,

Rep. Bogardus demanded the yeas and nays.

The demand was supported.

The question being on the adoption of the amendments offered by Rep. Bogardus,

The amendments were not adopted, a majority of the members serving not voting therefor, by yeas and nays, as follows:

#### Roll Call No. 743

#### Yeas—48

Baird	DeHart	Lemmons	Rivet
Basham	Dennis	Lockwood	Schauer
Bogardus	Frank	Mans	Schermesser
Bovin	Gielegem	Martinez	Scott
Brater	Hale	Minore	Sheltrown
Brewer	Hanley	Neumann	Spade
Brown, B.	Hansen	O’Neil	Stallworth
Callahan	Hardman	Pestka	Switalski
Cherry	Jacobs	Price	Tesanovich

Clark, I.  
Clarke, H.  
Daniels

Jamnick  
Kelly  
Kilpatrick

Prusi  
Quarles  
Rison

Thomas  
Vaughn  
Wojno

### Nays—56

Allen  
Birkholz  
Bisbee  
Bishop  
Bradstreet  
Brown, C.  
Byl  
Cassis  
Caul  
DeRossett  
DeVuyst  
DeWeese  
Ehardt  
Faunce

Garcia  
Geiger  
Gilbert  
Godchaux  
Gosselin  
Green  
Hager  
Hart  
Jansen  
Jelinek  
Jellema  
Johnson, Rick  
Julian  
Koetje

Kowall  
Kuipers  
Kukuk  
LaSata  
Law  
Mead  
Middaugh  
Mortimer  
Pappageorge  
Patterson  
Perricone  
Pumford  
Raczkowski  
Richardville

Richner  
Rocca  
Sanborn  
Scranton  
Shackleton  
Shulman  
Stamas  
Tabor  
Toy  
Van Woerkom  
Vander Roest  
Vear  
Voorhees  
Woronchak

In The Chair: Scranton

Rep. Schauer moved to amend the bill as follows:

1. Amend page 1, following "THE PEOPLE OF THE STATE OF MICHIGAN ENACT:" by inserting:

"SEC. 627B. AT LEAST 1 ALTERNATIVE EDUCATION PROGRAM FOR INDIVIDUALS WHO HAVE BEEN EXPELLED BY CONSTITUENT SCHOOL DISTRICTS PURSUANT TO SECTION 1311(2) OR 1311A SHALL BE ESTABLISHED AND OPERATED WITHIN AN INTERMEDIATE SCHOOL DISTRICT AREA."

The question being on the adoption of the amendment offered by Rep. Schauer,

Rep. Schauer demanded the yeas and nays.

The demand was supported.

The question being on the adoption of the amendment offered by Rep. Schauer,

The amendment was not adopted, a majority of the members serving not voting therefor, by yeas and nays, as follows:

### Roll Call No. 744

### Yeas—48

Baird  
Basham  
Bogardus  
Bovin  
Brater  
Brewer  
Brown, B.  
Callahan  
Caul  
Cherry  
Clark, I.  
Clarke, H.

Daniels  
DeHart  
Dennis  
Frank  
Gieleghem  
Hale  
Hanley  
Hansen  
Hardman  
Jacobs  
Jamnick  
Kelly

Kilpatrick  
Lockwood  
Mans  
Martinez  
Minore  
Neumann  
O'Neil  
Pestka  
Price  
Prusi  
Rison  
Rivet

Schauer  
Schermesser  
Scott  
Sheltrown  
Spade  
Stallworth  
Switalski  
Tesanovich  
Thomas  
Vaughn  
Wojno  
Woodward

### Nays—56

Allen  
Birkholz

Geiger  
Gilbert

Kowall  
Kuipers

Richner  
Rocca

Bisbee	Godchaux	Kukuk	Sanborn
Bishop	Gosselin	LaSata	Scranton
Bradstreet	Green	Law	Shackleton
Brown, C.	Hager	Mead	Shulman
Byl	Hart	Middaugh	Stamas
Cassis	Howell	Mortimer	Tabor
DeRossett	Jansen	Pappageorge	Toy
DeVuyst	Jelinek	Patterson	Van Woerkom
DeWeese	Jellema	Perricone	Vander Roest
Ehardt	Johnson, Rick	Pumford	Vear
Faunce	Julian	Rackowski	Voorhees
Garcia	Koetje	Richardville	Woronchak

In The Chair: Scranton

Rep. Rackowski moved that the bill be placed on the order of Third Reading of Bills.

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

Rep. Rackowski moved that the bill be placed on its immediate passage.

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

By unanimous consent the House returned to the order of

### Third Reading of Bills

#### Senate Bill No. 206, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," (MCL 380.1 to 380.1852) by adding section 1311a.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

#### Roll Call No. 745

#### Yeas—77

Allen	Ehardt	Kuipers	Rocca
Basham	Faunce	Kukuk	Sanborn
Birkholz	Frank	LaSata	Schauer
Bisbee	Garcia	Law	Schermesser
Bishop	Geiger	Lockwood	Scranton
Bovin	Gielegem	Mans	Shackleton
Bradstreet	Gilbert	Mead	Sheltrown
Brewer	Gosselin	Middaugh	Shulman
Brown, B.	Green	Neumann	Spade
Brown, C.	Hager	O'Neil	Stamas
Byl	Hart	Pappageorge	Switalski
Callahan	Howell	Patterson	Tabor
Cassis	Jansen	Perricone	Toy
Caul	Jelinek	Pestka	Van Woerkom
Cherry	Jellema	Pumford	Vaughn
Clark, I.	Johnson, Rick	Rackowski	Voorhees
DeHart	Julian	Richardville	Wojno
DeRossett	Koetje	Richner	Woodward
DeVuyst	Kowall	Rivet	Woronchak
DeWeese			

#### Nays—24

Baird	Hale	Kilpatrick	Quarles
Brater	Hanley	Lemmons	Scott

Clarke, H.	Hansen	Martinez	Stallworth
Daniels	Hardman	Minore	Tesanovich
Dennis	Jacobs	Price	Thomas
Godchaux	Jamnack	Prusi	Vear

In The Chair: Scranton

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

“An act to provide a system of public instruction and elementary and secondary schools; to revise, consolidate, and clarify the laws relating to elementary and secondary education; to provide for the organization, regulation, and maintenance of schools, school districts, public school academies, and intermediate school districts; to prescribe rights, powers, duties, and privileges of schools, school districts, public school academies, and intermediate school districts; to provide for the regulation of school teachers and certain other school employees; to provide for school elections and to prescribe powers and duties with respect thereto; to provide for the levy and collection of taxes; to provide for the borrowing of money and issuance of bonds and other evidences of indebtedness; to establish a fund and provide for expenditures from that fund; to provide for and prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to provide for licensure of boarding schools; to prescribe penalties; and to repeal acts and parts of acts.”

The House agreed to the full title.

Rep. Raczkowski moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

### Second Reading of Bills

#### Senate Bill No. 183, entitled

A bill to amend 1976 PA 451, entitled “The revised school code,” (MCL 380.1 to 380.1852) by adding section 1309. The bill was read a second time.

Rep. Raczkowski moved that the bill be placed on the order of Third Reading of Bills.

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

Rep. Raczkowski moved that the bill be placed on its immediate passage.

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

By unanimous consent the House returned to the order of

### Third Reading of Bills

#### Senate Bill No. 183, entitled

A bill to amend 1976 PA 451, entitled “The revised school code,” (MCL 380.1 to 380.1852) by adding section 1309. The bill was read a third time.

The question being on the passage of the bill,

After debate,

Rep. Frank demanded the previous question.

The demand was supported.

The question being, “Shall the main question now be put?”

The previous question was ordered.

The question being on the passage of the bill,

The bill was then passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

### Roll Call No. 746

Yeas—63

Allen	Garcia	LaSata	Rocca
Birkholz	Geiger	Law	Sanborn

Bisbee	Gilbert	Lemmons	Scranton
Bishop	Gosselin	Lockwood	Shackleton
Bogardus	Green	Mans	Sheltrown
Bradstreet	Hart	Middaugh	Shulman
Brown, B.	Howell	Mortimer	Spade
Brown, C.	Jacobs	Neumann	Stamas
Cassis	Jamnick	O'Neil	Switalski
Caul	Jansen	Pappageorge	Tabor
DeRossett	Jellema	Patterson	Toy
DeVuyst	Johnson, Rick	Perricone	Vander Roest
DeWeese	Julian	Pestka	Voorhees
Ehardt	Koetje	Raczkowski	Wojno
Faunce	Kowall	Richardville	Woronchak
Frank	Kukuk	Richner	

### Nays—41

Baird	Dennis	Kuipers	Schauer
Basham	Gielegem	Martinez	Schermesser
Bovin	Godchaux	Mead	Scott
Brater	Hager	Minore	Stallworth
Brewer	Hale	Price	Tesanovich
Callahan	Hanley	Prusi	Thomas
Cherry	Hansen	Pumford	Van Woerkom
Clark, I.	Hardman	Quarles	Vaughn
Clarke, H.	Jelinek	Rison	Vear
Daniels	Kilpatrick	Rivet	Woodward
DeHart			

In The Chair: Scranton

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

“An act to provide a system of public instruction and elementary and secondary schools; to revise, consolidate, and clarify the laws relating to elementary and secondary education; to provide for the organization, regulation, and maintenance of schools, school districts, public school academies, and intermediate school districts; to prescribe rights, powers, duties, and privileges of schools, school districts, public school academies, and intermediate school districts; to provide for the regulation of school teachers and certain other school employees; to provide for school elections and to prescribe powers and duties with respect thereto; to provide for the levy and collection of taxes; to provide for the borrowing of money and issuance of bonds and other evidences of indebtedness; to establish a fund and provide for expenditures from that fund; to provide for and prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to provide for licensure of boarding schools; to prescribe penalties; and to repeal acts and parts of acts.”

The House agreed to the full title.

Rep. Raczkowski moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

By unanimous consent the House returned to the order of

### Messages from the Senate

The Speaker laid before the House

#### House Bill No. 4240, entitled

A bill to amend 1976 PA 451, entitled “The revised school code,” (MCL 380.1 to 380.1852) by adding sections 1307, 1308, and 1311a.

(The bill was received from the Senate on May 12, with substitute (S-3), title amendment and immediate effect given by the Senate, consideration of which, under the rules, was postponed until May 13, see House Journal No. 42, p. 819.)

The question being on concurring in the adoption of the substitute (S-3) made to the bill by the Senate,

Rep. Bisbee moved to substitute (H-3) the Senate substitute (S-3).  
 The motion prevailed and the substitute (H-3) was adopted, a majority of the members serving voting therefor.

Rep. Howell moved to amend the Senate substitute (S-3), as substituted (H-3), as follows:

1. Amend page 5, following line 19, by inserting:

“(8) A SCHOOL BOARD SHALL COOPERATE WITH LOCAL LAW ENFORCEMENT AGENCIES TO ENSURE THAT DETAILED AND ACCURATE BUILDING PLANS, BLUEPRINTS, AND SITE PLANS, AS APPROPRIATE, FOR EACH SCHOOL BUILDING OPERATED BY THE SCHOOL BOARD ARE PROVIDED TO THE APPROPRIATE LOCAL LAW ENFORCEMENT AGENCY.” and renumbering the remaining subsections.

The motion prevailed and the amendment was adopted, a majority of the members serving voting therefor.

Rep. Bogardus moved to amend the Senate substitute (S-3), as substituted (H-3), as follows:

1. Amend page 6, line 12, by striking out all of section 1310.

The question being on the adoption of the amendment offered by Rep. Bogardus,

Rep. Bogardus demanded the yeas and nays.

The demand was supported.

The question being on the adoption of the amendment offered by Rep. Bogardus,

The amendment was not adopted, a majority of the members serving not voting therefor, by yeas and nays, as follows:

**Roll Call No. 747**

**Yeas—41**

Baird	DeHart	Kilpatrick	Schermesser
Basham	Dennis	Lemmons	Scott
Bogardus	Gielegem	Lockwood	Sheltrown
Bovin	Hale	Mans	Stallworth
Brater	Hanley	Martinez	Switalski
Brewer	Hansen	Minore	Tesanovich
Callahan	Hardman	O’Neil	Thomas
Cherry	Jacobs	Price	Vaughn
Clark, I.	Jamnick	Prusi	Wojno
Clarke, H.	Kelly	Rivet	Woodward
Daniels			

**Nays—62**

Allen	Garcia	Kukuk	Rison
Birkholz	Gilbert	LaSata	Rocca
Bisbee	Godchaux	Law	Sanborn
Bishop	Gosselin	Mead	Schauer
Bradstreet	Green	Middaugh	Scranton
Brown, B.	Hager	Mortimer	Shackleton
Brown, C.	Hart	Neumann	Shulman
Byl	Howell	Pappageorge	Spade
Cassis	Jansen	Patterson	Tabor
Caul	Jelinek	Perricone	Toy
DeRossett	Jellema	Pestka	Van Woerkom
DeVuyst	Johnson, Rick	Pumford	Vander Roest
DeWeese	Julian	Rackowski	Vear
Ehardt	Koetje	Richardville	Voorhees
Faunce	Kowall	Richner	Woronchak
Frank	Kuipers		

Rep. Bogardus moved to amend the Senate substitute (S-3), as substituted (H-3), as follows:

1. Amend page 6, line 15, after "BOARD" by striking out "SHALL" and inserting "MAY".

The question being on the adoption of the amendment offered by Rep. Bogardus,

Rep. Bogardus demanded the yeas and nays.

The demand was supported.

The question being on the adoption of the amendment offered by Rep. Bogardus,

The amendment was not adopted, a majority of the members serving not voting therefor, by yeas and nays, as follows:

**Roll Call No. 748****Yeas—53**

Baird	Dennis	Lemmons	Rivet
Basham	Frank	Lockwood	Schauer
Bogardus	Gielegem	Mans	Schermesser
Bovin	Godchaux	Martinez	Scott
Bradstreet	Hager	Minore	Sheltrown
Brater	Hale	Neumann	Spade
Brewer	Hanley	O'Neil	Stallworth
Brown, B.	Hansen	Pestka	Switalski
Callahan	Hardman	Price	Tesanovich
Cherry	Jacobs	Prusi	Thomas
Clark, I.	Jamnack	Pumford	Vaughn
Clarke, H.	Kelly	Quarles	Wojno
Daniels	Kilpatrick	Rison	Woodward
DeHart			

**Nays—51**

Allen	Geiger	Kukuk	Sanborn
Birkholz	Gilbert	LaSata	Scranton
Bisbee	Gosselin	Law	Shackleton
Bishop	Green	Mead	Shulman
Brown, C.	Hart	Middaugh	Stamas
Cassis	Howell	Mortimer	Tabor
Caul	Jansen	Pappageorge	Toy
DeRossett	Jelinek	Patterson	Van Woerkom
DeVuyst	Johnson, Rick	Perricone	Vander Roest
DeWeese	Julian	Rackowski	Vear
Ehardt	Koetje	Richardville	Voorhees
Faunce	Kowall	Richner	Woronchak
Garcia	Kuipers	Rocca	

In The Chair: Scranton

The question being on concurring in the Senate substitute (S-3), as substituted (H-3),

The Senate substitute (S-3), as substituted (H-3), was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 749****Yeas—77**

Allen	Garcia	LaSata	Rocca
Birkholz	Geiger	Law	Sanborn



Bisbee	Gielegem	Lemmons	Schauer
Bishop	Gilbert	Lockwood	Schermesser
Bradstreet	Gosselin	Mans	Scranton
Brewer	Green	Mead	Shackleton
Brown, B.	Hager	Middaugh	Sheltrown
Brown, C.	Hart	Mortimer	Shulman
Byl	Howell	Neumann	Spade
Callahan	Jamnack	O'Neil	Stamas
Cassis	Jansen	Pappageorge	Switalski
Caul	Jelinek	Patterson	Tabor
Cherry	Jellema	Perricone	Toy
DeHart	Johnson, Rick	Pestka	Van Woerkom
DeRossett	Julian	Pumford	Vander Roest
DeVuyst	Koetje	Raczkowski	Voorhees
DeWeese	Kowall	Richardville	Wojno
Ehardt	Kuipers	Richner	Woodward
Faunce	Kukuk	Rivet	Woronchak
Frank			

#### Nays—25

Baird	Dennis	Jacobs	Scott
Basham	Godchaux	Kelly	Stallworth
Bovin	Hale	Kilpatrick	Tesanovich
Brater	Hanley	Martinez	Thomas
Clark, I.	Hansen	Price	Vaughn
Clarke, H.	Hardman	Prusi	Vear
Daniels			

In The Chair: Scranton

The House agreed to the title as amended.

#### House Bill No. 4065, entitled

A bill to make appropriations for the department of career development and certain other state purposes for the fiscal year ending September 30, 2000; to provide for the expenditure of the appropriations; and to provide for the disposition of fees and other income received by the state agencies.

The Senate has substituted (S-1) the bill.

The Senate has passed the bill as substituted (S-1), ordered that it be given immediate effect and amended the title to read as follows:

A bill to make, supplement, and adjust appropriations for capital outlay and various state departments and agencies for the fiscal year ending September 30, 1999; to implement the appropriations within the budgetary process; to provide for the expenditure of appropriations; and to repeal acts and parts of acts.

The Speaker announced that pursuant to Rule 45, the bill was laid over one day.

#### House Bill No. 4744, entitled

A bill to amend 1937 PA 94, entitled "Use tax act," by amending sections 3, 4, and 4h (MCL 205.93, 205.94, and 205.94h), section 3 as amended by 1995 PA 67, section 4 as amended by 1998 PA 491, and section 4h as added by 1986 PA 13, and by adding sections 4o, 4p, 4q, 4r, 4s, 8, and 9a.

The Senate has substituted (S-3) the bill.

The Senate has passed the bill as substituted (S-3), ordered that it be given immediate effect and amended the title to read as follows:

A bill to amend 1937 PA 94, entitled "An act to provide for the levy, assessment and collection of a specific excise tax on the storage, use or consumption in this state of tangible personal property and certain services; to appropriate the proceeds thereof; and to prescribe penalties for violations of the provisions of this act," by amending sections 3, 4, and 4h (MCL 205.93, 205.94, and 205.94h), section 3 as amended by 1995 PA 67, section 4 as amended by 1998 PA 491, and section 4h as added by 1986 PA 13, and by adding sections 4o, 4p, 4q, 4r, 4s, 4v, 8, and 9a.

The Speaker announced that pursuant to Rule 45, the bill was laid over one day.

**House Bill No. 4745, entitled**

A bill to amend 1975 PA 228, entitled "Single business tax act," by amending sections 3, 4, 5, 23, 23b, 31, 45a, 49, 71, 77, and 78 (MCL 208.3, 208.4, 208.5, 208.23, 208.23b, 208.31, 208.45a, 208.49, 208.71, 208.77, and 208.78), section 4 as amended by 1995 PA 285, section 5 as amended by 1987 PA 253, sections 23 and 23b as amended by 1998 PA 504, section 31 as amended by 1994 PA 247, section 45a as added by 1995 PA 282, and section 71 as amended by 1984 PA 281, and by adding sections 19, 35a, and 54; and to repeal acts and parts of acts.

The Senate has substituted (S-3) the bill.

The Senate has passed the bill as substituted (S-3), ordered that it be given immediate effect and amended the title to read as follows:

A bill to amend 1975 PA 228, entitled "An act to provide for the imposition, levy, computation, collection, assessment and enforcement, by lien or otherwise, of taxes on certain commercial, business, and financial activities; to prescribe the manner and times of making certain reports and paying taxes; to prescribe the powers and duties of public officers and state departments; to permit the inspection of records of taxpayers; to provide for interest and penalties on unpaid taxes; to provide exemptions, credits, and refunds; to provide penalties; to provide for the disposition of funds; to provide for the interrelation of this act with other acts; and to provide an appropriation," by amending sections 3, 4, 5, 23, 23b, 31, 45a, 46, 49, 51, 71, 77, and 78 (MCL 208.3, 208.4, 208.5, 208.23, 208.23b, 208.31, 208.45a, 208.46, 208.49, 208.51, 208.71, 208.77, and 208.78), section 4 as amended by 1995 PA 285, section 5 as amended by 1987 PA 253, sections 23 and 23b as amended by 1998 PA 504, section 31 as amended by 1994 PA 247, section 45a as added by 1995 PA 282, and section 71 as amended by 1984 PA 281, and by adding sections 19, 35a, and 54; and to repeal acts and parts of acts.

The Speaker announced that pursuant to Rule 45, the bill was laid over one day.

**Senate Bill No. 544, entitled**

A bill to amend 1933 PA 167, entitled "An act to provide for the raising of additional public revenue by prescribing certain specific taxes, fees, and charges to be paid to the state for the privilege of engaging in certain business activities; to provide, incident to the enforcement thereof, for the issuance of licenses to engage in such occupations; to provide for the ascertainment, assessment and collection thereof; to appropriate the proceeds thereof; and to prescribe penalties for violations of the provisions of this act," by amending sections 1, 4a, 4g, 4j, and 4q (MCL 205.51, 205.54a, 205.54g, 205.54j, and 205.54q), section 1 as amended by 1998 PA 451, section 4a as amended by 1998 PA 490, section 4g as amended by 1998 PA 60, section 4j as added by 1985 PA 225, and section 4q as added by 1998 PA 258, and by adding sections 4r, 4s, 4t, 4u, 4v, and 4w.

The Senate has substituted (S-4) the House substitute (H-6).

The Senate has concurred in the House substitute (H-6) as substituted (S-4) and amended the title to read as follows:

A bill to amend 1933 PA 167, entitled "An act to provide for the raising of additional public revenue by prescribing certain specific taxes, fees, and charges to be paid to the state for the privilege of engaging in certain business activities; to provide, incident to the enforcement thereof, for the issuance of licenses to engage in such occupations; to provide for the ascertainment, assessment and collection thereof; to appropriate the proceeds thereof; and to prescribe penalties for violations of the provisions of this act," by amending sections 1, 4a, 4g, 4j, and 4q (MCL 205.51, 205.54a, 205.54g, 205.54j, and 205.54q), section 1 as amended by 1998 PA 451, section 4a as amended by 1998 PA 490, section 4g as amended by 1998 PA 60, section 4j as added by 1985 PA 225, and section 4q as added by 1998 PA 258, and by adding sections 4r, 4t, 4u, 4v, 4w, 4y, and 4z.

The Speaker announced that pursuant to Rule 45, the bill was laid over one day.

**House Bill No. 4733, entitled**

A bill to amend 1996 PA 376, entitled "An act to create certain renaissance zones; to foster economic opportunities in this state; to facilitate economic development; to stimulate industrial, commercial, and residential improvements; to prevent physical and infrastructure deterioration of geographic areas in this state; to authorize expenditures; to provide exemptions and credits from certain taxes; to create certain obligations of this state and local governmental units; to require disclosure of certain transactions and gifts; to provide for appropriations; and to prescribe the powers and duties of certain state and local departments, agencies and officials," by amending the title and sections 3 and 5 (MCL 125.2683 and 125.2685) and by adding sections 8a and 8b.

The Senate has concurred in the House amendment to the Senate substitute (S-2).

Rep. Raczkowski moved that the bill be given immediate effect.

The question being on the motion made by Rep. Raczkowski,

Rep. Kilpatrick demanded the yeas and nays.

The demand was supported.

The question being on the motion by Rep. Raczkowski,  
The motion did not prevail, 2/3 of the members serving not voting therefor, by yeas and nays, as follows:

**Roll Call No. 750****Yeas—59**

Allen	Geiger	Kuipers	Richner
Birkholz	Gilbert	Kukuk	Rocca
Bisbee	Godchaux	LaSata	Sanborn
Bishop	Gosselin	Law	Scranton
Bradstreet	Green	Mead	Shackleton
Brown, C.	Hager	Middaugh	Shulman
Byl	Hart	Mortimer	Stamas
Cassis	Howell	Neumann	Tabor
Caul	Jansen	Pappageorge	Toy
DeRossett	Jelinek	Patterson	Van Woerkom
DeVuyst	Jellema	Perricone	Vander Roest
DeWeese	Johnson, Rick	Pestka	Vear
Ehardt	Julian	Pumford	Voorhees
Faunce	Koetje	Raczkowski	Woronchak
Garcia	Kowall	Richardville	

**Nays—46**

Baird	DeHart	Lockwood	Schermesser
Basham	Dennis	Mans	Scott
Bogardus	Frank	Martinez	Sheltrown
Bovin	Gielegem	Minore	Spade
Brater	Hale	O'Neil	Stallworth
Brewer	Hanley	Price	Switalski
Brown, B.	Hansen	Prusi	Tesanovich
Callahan	Hardman	Quarles	Thomas
Cherry	Jacobs	Rison	Vaughn
Clark, I.	Jamnick	Rivet	Wojno
Clarke, H.	Kilpatrick	Schauer	Woodward
Daniels	Lemmons		

In The Chair: Scranton

Rep. Raczkowski moved that the bill be given immediate effect.  
The question being on the motion made by Rep. Raczkowski,

Rep. Raczkowski moved that consideration of the motion be postponed temporarily.  
The motion prevailed.

**Third Reading of Bills****Senate Bill No. 396, entitled**

A bill to amend 1933 PA 167, entitled "General sales tax act," (MCL 205.51 to 205.78) by adding section 4s.  
(The bill was read a third time and postponed temporarily on June 9, see House Journal No. 54, p. 1426.)  
The question being on the passage of the bill,

Rep. Raczkowski moved to reconsider the vote by which the House placed the bill on the order of Third Reading of Bills.

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

## Second Reading of Bills

### Senate Bill No. 396, entitled

A bill to amend 1933 PA 167, entitled "General sales tax act," (MCL 205.51 to 205.78) by adding section 4s.

Rep. O'Neil moved to amend the bill as follows:

1. Amend page 1, following "THE PEOPLE OF THE STATE OF MICHIGAN ENACT:" by inserting:

"Sec. 1. (1) As used in this act:

(a) "Person" means an individual, firm, partnership, joint venture, association, social club, fraternal organization, municipal or private corporation whether organized for profit or not, company, estate, trust, receiver, trustee, syndicate, the United States, this state, county, or any other group or combination acting as a unit, and includes the plural as well as the singular number, unless the intention to give a more limited meaning is disclosed by the context.

(b) "Sale at retail" means a transaction by which the ownership of tangible personal property is transferred for consideration, if the transfer is made in the ordinary course of the transferor's business and is made to the transferee for consumption or use, or for any purpose other than for resale, or for lease, if the rental receipts are taxable under the use tax act, 1937 PA 94, MCL 205.91 to 205.111, in the form of tangible personal property to a person licensed under this act, or for demonstration purposes or lending or leasing to a public or parochial school offering a course in automobile driving. However, a vehicle purchased by the school shall be certified for driver education and shall not be reassigned for personal use of the school's administrative personnel. For a dealer selling a new car or truck, the exemption for demonstration purposes shall be determined by the number of new cars and trucks sold during the current calendar year or the immediately preceding year without regard to specific make or style in accordance with the following schedule of 0 to 25, 2 units; 26 to 100, 7 units; 101 to 500, 20 units; 501 or more, 25 units; but not to exceed 25 cars and trucks in a calendar year for demonstration purposes.

(c) "Sale at retail" includes the sale of tangible personal property to persons directly engaged in the business of constructing, altering, repairing, or improving real estate for others except property affixed to and made a structural part of the real estate of a nonprofit hospital or nonprofit housing. A nonprofit hospital or nonprofit housing includes only the property of a nonprofit hospital or the homes or dwelling places constructed by a nonprofit housing entity qualified as exempt pursuant to section 15a of the state housing development authority act of 1966, 1966 PA 346, MCL 125.1415a, the income or property of which does not directly or indirectly inure to the benefit of an individual, private stockholder, or other private person. For taxes assessed after December 31, 1990 and before January 1, 1996, as used in this subdivision, "hospital" includes, but is not limited to, an entity that meets all of the following qualifications:

(i) Is a separately organized entity, or a group of entities sufficiently related to be considered a single employer for purposes of section 414 of the internal revenue code of 1986, the primary purpose of which is to provide medical, obstetrical, psychiatric, or surgical care or nursing. Nursing includes care provided by skilled nurses in a long-term care facility.

(ii) ~~Prior to~~ BEFORE January 1, 1996, initiated an appeal of taxes assessed under this act on tangible personal property used to construct a facility after December 31, 1990 and before January 1, 1996, the primary purpose of which is to provide medical, obstetrical, psychiatric, or surgical care or nursing. Nursing includes a long-term care facility.

(d) "Sale at retail" includes a conditional sale, installment lease sale, or other transfer of property if title is retained as security for the purchase price but is intended to be transferred later.

(e) "Sale at retail" includes the sale of electricity, natural or artificial gas, or steam if the sale is made to the consumer or user for consumption or use rather than for resale. Sale at retail also includes the sale of a prepaid telephone calling card or a prepaid authorization number for telephone use, rather than for resale. Sale at retail also includes the reauthorization of a prepaid telephone calling card or a prepaid authorization number. Sale at retail does not include the sale of water through water mains or the sale of water delivered in bulk tanks in quantities of not less than 500 gallons.

(f) "Sale at retail" includes computer software offered for general sale to the public or software modified or adapted to the user's needs or equipment by the seller, only if the software is available for sale from a seller of software on an as-is basis or as an end product without modification or adaptation. Sale at retail does not include specific charges for technical support or for adapting or modifying prewritten, standard, or canned computer software programs to a purchaser's needs or equipment if those charges are separately stated and identified. Sale at retail does not include computer software originally designed for the exclusive use and special needs of the purchaser. As used in this subdivision, "computer software" means a set of statements or instructions that when incorporated in a machine-usable medium is capable of causing a machine or device having information processing capabilities to indicate, perform, or achieve a particular function, task, or result.

(g) "Sale at retail" includes the sale of tangible personal property by an industrial laundry under a sale, rental, or service agreement with a term of at least 5 days.

(h) "Sale at retail" does not include an isolated transaction by a person not licensed or required to be licensed under this act, in which tangible personal property is offered for sale, sold, transferred, and delivered by the owner.

(i) "Sale at retail" does not include a commercial advertising element if the commercial advertising element is used to create or develop a print, radio, television, or other advertisement, the commercial advertising element is discarded or returned to the provider after the advertising message is completed, and the commercial advertising element is custom-developed by the provider for the purchaser. As used in this subdivision, "commercial advertising element" means a negative or positive photographic image, an audiotape or videotape master, a layout, a manuscript, writing of copy, a design, artwork, an illustration, retouching, and mechanical or keyline instructions. Sale at retail includes black and white or full color process separation elements, an audiotape reproduction, or a videotape reproduction.

(j) "Gross proceeds" means the amount received in money, credits, subsidies, property, or other money's worth in consideration of a sale at retail within this state, without a deduction for the cost of the property sold, the cost of material used, the cost of labor or service purchased, an amount paid for interest or a discount, a tax paid on cigarettes or tobacco products at the time of purchase, a tax paid on beer or liquor at the time of purchase or other expenses. Also, a deduction is not allowed for losses. Gross proceeds do not include an amount received or billed by the taxpayer for remittance to the employee as a gratuity or tip, if the gratuity or tip is separately identified and itemized on the guest check or billed to the customer. In a taxable sale at retail of a motor vehicle, if another motor vehicle is used as part payment of the purchase price, the value of the motor vehicle used as part payment of the purchase price shall be that value agreed to by the parties to the sale as evidenced by the signed statement executed pursuant to section 251 of the Michigan vehicle code, 1949 PA 300, MCL 257.251. IF A MOTOR VEHICLE IS USED AS PART PAYMENT IN A TAXABLE SALE AT RETAIL OF ANOTHER MOTOR VEHICLE, THE GROSS PROCEEDS IS THE DIFFERENCE BETWEEN THE AGREED-UPON VALUE OF THE MOTOR VEHICLE USED AS PART PAYMENT OF THE PURCHASE PRICE AND THE FULL RETAIL PRICE OF THE MOTOR VEHICLE BEING PURCHASED. A credit or refund for returned goods or a refund less an allowance for use made for a motor vehicle returned under 1986 PA 87, MCL 257.1401 to 257.1410, as certified by the manufacturer on a form provided by the department of treasury, may be deducted.

(k) "Business" includes an activity engaged in by a person or caused to be engaged in by that person with the object of gain, benefit, or advantage, either direct or indirect.

(l) "Tax year" or "taxable year" means the fiscal year of the state or the taxpayer's fiscal year if permission is obtained by the taxpayer from the department to use the taxpayer's fiscal year as the tax period instead.

(m) "Department" means the revenue division of the department of treasury.

(n) "Taxpayer" means a person subject to a tax under this act.

(o) "Tax" includes a tax, interest, or penalty levied under this act.

(p) "Textiles" means goods that are made of or incorporate woven or nonwoven fabric, including, but not limited to, clothing, shoes, hats, gloves, handkerchiefs, curtains, towels, sheets, pillows, pillow cases, tablecloths, napkins, aprons, linens, floor mops, floor mats, and thread. Textiles also include materials used to repair or construct textiles or other goods used in the rental, sale, or cleaning of textiles.

(2) If the department determines that it is necessary for the efficient administration of this act to regard an unlicensed person, including a salesperson, representative, peddler, or canvasser, as the agent of the dealer, distributor, supervisor, or employer under whom the unlicensed person operates or from whom the unlicensed person obtains the tangible personal property sold by the unlicensed person, irrespective of whether the unlicensed person is making sales on the unlicensed person's own behalf or on behalf of the dealer, distributor, supervisor, or employer, the department may so regard the unlicensed person and may regard the dealer, distributor, supervisor, or employer as making sales at retail at the retail price for the purposes of this act."

The question being on the adoption of the amendment offered by Rep. O'Neil,

Rep. O'Neil demanded the yeas and nays.

The demand was supported.

The question being on the adoption of the amendment offered by Rep. O'Neil,

### Point of Order

Rep. Raczkowski requested a ruling from the Chair as to whether the amendment offered by Rep. O'Neil is germane to the bill.

The Chair ruled that the amendment is not germane pursuant to House Rule 64. This amendment introduces a new proposition which is not germane to the subject matter of the bill as introduced and as it is currently before the House.

Rep. Kilpatrick appealed the decision of the Chair.

The question being, "Shall the judgment of the Chair stand as the judgment of the House?"

The judgment of the Chair stood as the judgment of the House, a majority of the members present and voting, voting therefor, by yeas and nays, as follows:

**Roll Call No. 751****Yeas—56**

Allen	Garcia	Kowall	Richner
Birkholz	Gilbert	Kuipers	Rocca
Bisbee	Godchaux	Kukuk	Sanborn
Bishop	Gosselin	LaSata	Scranton
Bradstreet	Green	Law	Shackleton
Brewer	Hager	Mead	Shulman
Brown, C.	Hart	Middaugh	Stamas
Cassis	Howell	Mortimer	Tabor
Caul	Jansen	Pappageorge	Toy
DeRossett	Jelinek	Patterson	Van Woerkom
DeVuyst	Jellema	Perricone	Vander Roest
DeWeese	Johnson, Rick	Pumford	Vear
Ehardt	Julian	Raczkowski	Voorhees
Faunce	Koetje	Richardville	Woronchak

**Nays—44**

Baird	Frank	Lockwood	Schauer
Basham	Gielegem	Mans	Schermesser
Bogardus	Hale	Martinez	Scott
Bovin	Hanley	Minore	Sheltrown
Brater	Hansen	Neumann	Spade
Brown, B.	Hardman	O'Neil	Stallworth
Cherry	Jacobs	Pestka	Tesanovich
Clarke, H.	Jamnick	Price	Thomas
Daniels	Kelly	Prusi	Vaughn
DeHart	Kilpatrick	Rison	Wojno
Dennis	Lemmons	Rivet	Woodward

In The Chair: Scranton

Rep. Raczkowski moved that the bill be placed on the order of Third Reading of Bills.

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

Rep. Raczkowski moved that the bill be placed on its immediate passage.

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

By unanimous consent the House returned to the order of

**Third Reading of Bills**

**Senate Bill No. 396, entitled**

A bill to amend 1933 PA 167, entitled "General sales tax act," (MCL 205.51 to 205.78) by adding section 4s.

The bill was read a third time.

The question being on the passage of the bill,

Rep. Raczkowski moved that consideration of the bill be postponed for the day.

The motion prevailed.

---

Rep. Raczkowski moved that when the House adjourns today it stand adjourned until Friday, June 11, at 12:05 a.m.  
The motion prevailed.

Rep. Raczkowski moved that the House adjourn.  
The motion prevailed, the time being 11:59 p.m.

Associate Speaker Pro Tempore Scranton declared the House adjourned until Friday, June 11, at 12:05 a.m.

GARY L. RANDALL  
Clerk of the House of Representatives.

