

No. 48
JOURNAL OF THE SENATE

Senate Chamber, Lansing, Tuesday, May 23, 2000.

10:00 a.m.

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

The roll was called by the Secretary of the Senate, who announced that a quorum was not present.

Bennett—excused
Bullard—present
Byrum—present
Cherry—present
DeBeaussaert—present
DeGrow—present
Dingell—present
Dunaskiss—present
Emerson—present
Emmons—present
Gast—present
Goschka—present
Gougeon—present

Hammerstrom—present
Hart—present
Hoffman—present
Jaye—present
Johnson—present
Koivisto—present
Leland—present
McCotter—present
McManus—present
Miller—present
Murphy—present
North—present
Peters—present

Rogers—present
Schuette—present
Schwarz—present
Shugars—present
Sikkema—present
A. Smith—present
V. Smith—present
Steil—present
Stille—present
Van Regenmorter—present
Vaughn—present
Young—present

Senator Leon Stille of the 32nd District offered the following invocation:

Our Father in Heaven, as we begin this day of business, give us Your guidance. Bless us with Your presence so that the spirit of Your grace might permeate our deliberations and the decisions made here this week. Keep us mindful and considerate of those with needs and struggling daily. Give us a measure of compassion, a sense of fairness, and a degree of compromise to lead us to the decisions in the best interest of all the citizens of our state. We are grateful for the bounty You have blessed us with, and we acknowledge Your presence in our work. In Jesus' name we pray. Amen.

Recess

Senator Rogers moved that the Senate recess subject to the call of the President.
The motion prevailed, the time being 10:03 a.m.

10:25 a.m.

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

During the recess, Senators Young, A. Smith, DeGrow, Schuette, Jaye, Gougeon, North, Gast, Shugars, Emmons, McManus, Steil, Johnson, Schwarz, Sikkema, Van Regenmorter, McCotter and Hammerstrom entered the Senate Chamber.

A quorum of the Senate was present.

Motions and Communications

Senator Rogers moved that Senator Bennett be excused from today's session.
The motion prevailed.

Senator Emerson moved that Senator V. Smith be temporarily excused from today's session.
The motion prevailed.

Senator Rogers moved that rule 3.902 be suspended to allow the guests of Senators Steil and Miller admittance to the Senate floor.

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

Senator Rogers moved that rule 3.901 be suspended to allow photographs to be taken from the Senate floor, including the center aisle.

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

Recess

Senator Rogers moved that the Senate recess subject to the call of the President.
The motion prevailed, the time being 10:27 a.m.

10:35 a.m.

The Senate was called to order by the President pro tempore, Senator Schwarz.

During the recess, Senator Steil introduced the Calvin College Knights Men's Basketball Team, 2000 NCAA Division 3 National Champions, President Gaylen Byker, and Head Coach Kevin VandeStreeke. Messrs. Byker and VandeStreeke responded briefly.

The Secretary announced that the following House bills were received in the Senate and filed on Thursday, May 18:
House Bill Nos. 4128 4313 5078 5653 5654 5681 5690 5691

The Secretary announced that the following House bill was received in the Senate and filed on Friday, May 19:
House Bill No. 5460

The Secretary announced the enrollment printing and presentation to the Governor on Thursday, May 18, for his approval the following bills:

Enrolled Senate Bill No. 1069 at 2:57 p.m.

Enrolled Senate Bill No. 1071 at 2:59 p.m.

Enrolled Senate Bill No. 1073 at 3:01 p.m.

Enrolled Senate Bill No. 1120 at 3:03 p.m.

The Secretary announced the enrollment printing and presentation to the Governor on Friday, May 19, for his approval the following bill:

Enrolled Senate Bill No. 658 at 4:10 p.m.

The Secretary announced the printing and placement in the members' files on Thursday, May 18, of:

Senate Bill Nos. 1283 1284 1287

House Bill Nos. 5800 5801 5802 5803 5804 5805 5806 5807

The Secretary announced the printing and placement in the members' files on Friday, May 19, of:

Senate Bill Nos. 1274 1276 1278 1281 1282 1285 1286

House Bill Nos. 5808 5809 5810 5811 5812 5813

By unanimous consent the Senate proceeded to the order of

General Orders

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

The motion prevailed, and the President pro tempore, Senator Schwarz, designated Senator Steil as Chairperson.

After some time spent therein, the Committee arose; and, the President pro tempore, Senator Schwarz, having resumed the Chair, the Committee reported back to the Senate, favorably and without amendment, the following bills:

Senate Bill No. 1243, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending sections 217, 222, and 251 (MCL 257.217, 257.222, and 257.251), section 217 as amended by 1998 PA 247, section 222 as amended by 1999 PA 267, and section 251 as amended by 1998 PA 455.

Senate Bill No. 661, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," (MCL 257.1 to 257.923) by amending the title, as amended by 1991 PA 98, and by adding section 710g.

House Bill No. 4007, entitled

A bill to amend 1974 PA 369, entitled "An act to regulate the business of conducting a driver training school; to require licenses in relation thereto; to prescribe certain fees; to prescribe the powers and duties of certain persons and state departments; and to prescribe remedies and penalties," by amending sections 5 and 5b (MCL 256.605 and 256.605b), section 5 as amended and section 5b as added by 1998 PA 11.

House Bill No. 4008, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 208b (MCL 257.208b), as amended by 1998 PA 329.

House Bill No. 5140, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 721 (MCL 257.721), as amended by 1999 PA 24.

House Bill No. 5164, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 319 (MCL 257.319), as amended by 1999 PA 267.

House Bill No. 5172, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 312e (MCL 257.312e), as amended by 1991 PA 100.

Senate Bill No. 1237, entitled

A bill to amend 1933 PA 167, entitled "General sales tax act," (MCL 205.51 to 205.78) by adding section 4aa. The bills were placed on the order of Third Reading of Bills.

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

House Bill No. 5276, entitled

A bill to make appropriations for the department of environmental quality for the fiscal year ending September 30, 2001; 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.

Substitute (S-1).

The Senate agreed to the substitute recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

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

House Bill No. 5279, entitled

A bill to make appropriations for the judicial branch for the fiscal year ending September 30, 2001; 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.

Substitute (S-1).

The Senate agreed to the substitute recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

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

House Bill No. 5280, entitled

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2001; to provide for the expenditure of the appropriations; to provide for certain powers and duties of the department of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

Substitute (S-1).

The Senate agreed to the substitute recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

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

House Bill No. 5282, entitled

A bill to make appropriations for the department of state police and certain other state purposes for the fiscal year ending September 30, 2001; to provide for the expenditure of those appropriations; to provide for certain reports and the consideration of those reports; to provide for the disposition of other income received by the various state agencies; to provide for the testing of certain persons; to provide for certain emergency powers; and to provide for the powers and duties of certain committees, certain state agencies, and certain employees.

Substitute (S-1).

The Senate agreed to the substitute recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:
House Bill No. 5273, entitled

A bill to make appropriations for the department of agriculture for the fiscal year ending September 30, 2001; to provide for the expenditure of the appropriations; to create funds; to provide for the imposition of fees; to require reports, audits, and plans; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by certain state agencies.

Substitute (S-1).

The following are the amendments to the substitute recommended by the Committee of the Whole:

1. Amend page 27, line 21, after "of" by striking out "\$268,100.00" and inserting "\$276,500.00".
2. Amend page 30, following line 27, by inserting:

"Sec. 814. Of the funds appropriated in section 110, a grant shall be provided to the Michigan thoroughbred owners and breeders association to support Michigan thoroughbred promotions and marketing, industry data management, award management, and administrative management. Funding for the grant shall be provided from the amounts and line items indicated:

- (a) \$34,500.00 from the thoroughbred program line item;
- (b) \$27,000.00 from the thoroughbred sire stakes line item; and
- (c) \$13,500.00 from the thoroughbred owners' awards line item."

The Senate agreed to the substitute, as amended, recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

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

House Bill No. 4206, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 628 (MCL 257.628), as amended by 1996 PA 320.

The following are the amendments recommended by the Committee of the Whole:

1. Amend page 2, line 16, after "OF" by striking out "150" and inserting "300".
2. Amend page 2, line 17, after "ALONG" by striking out "BOTH SIDES" and inserting "EITHER SIDE".

The Senate agreed to the amendments recommended by the Committee of the Whole, and the bill as amended was placed on the order of Third Reading of Bills.

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

House Bill No. 4846, entitled

A bill to amend 1963 PA 181, entitled "Motor carrier safety act of 1963," by amending section 1a (MCL 480.11a), as amended by 1995 PA 265, and by adding section 3a.

Substitute (S-1).

The Senate agreed to the substitute recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

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

House Bill No. 4865, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 705 (MCL 257.705), as amended by 1995 PA 91.

Substitute (S-2).

The Senate agreed to the substitute recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

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

House Bill No. 5421, entitled

A bill to designate the part of the bypass of highway US-131 that is located between highway M-115 and Boon road in Wexford county as the "Sidney Ouwinga Memorial Bypass"; and to prescribe the duties of the state transportation department.

Substitute (S-1).

The Senate agreed to the substitute recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:
House Bill No. 5281, entitled

A bill to make appropriations for the department of natural resources for the fiscal year ending September 30, 2001; 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.

Substitute (S-1).

The following are the amendments to the substitute recommended by the Committee of the Whole:

1. Amend page 31, line 17, after "acre" by inserting "provided that the department takes into consideration the impact of timber harvesting on wildlife habitat and recreation uses".

2. Amend page 31, line 19, after "management." by striking out the balance of the section.

The Senate agreed to the substitute, as amended, recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:
Senate Bill No. 1052, entitled

A bill to amend 1939 PA 288, entitled "Probate code of 1939," by amending sections 14 and 19b (MCL 712A.14 and 712A.19b), section 14 as amended by 1998 PA 474 and section 19b as amended by 1998 PA 530, and by adding section 19d.

Substitute (S-3).

The Senate agreed to the substitute recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:
Senate Bill No. 1053, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by amending section 135 (MCL 750.135).

Substitute (S-3).

The following is the amendment to the substitute recommended by the Committee of the Whole:

1. Amend page 2, line 2, after "712.20." by inserting "A CRIMINAL INVESTIGATION SHALL NOT BE INITIATED SOLELY ON THE BASIS OF A NEWBORN BEING SURRENDERED TO AN EMERGENCY SERVICE PROVIDER UNDER CHAPTER XII OF THE PROBATE CODE OF 1939, 1939 PA 288, MCL 712.1 TO 712.20.".

The Senate agreed to the substitute, as amended, recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:
Senate Bill No. 1170, entitled

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," (MCL 600.101 to 600.9948) by adding section 2970.

Substitute (S-2).

The following is the amendment to the substitute recommended by the Committee of the Whole:

1. Amend page 2, line 6, after "CONDITION." by inserting "THE PROHIBITION STATED IN SUBSECTION (1), (2), OR (3) DOES NOT APPLY TO A CIVIL ACTION FOR DAMAGES FOR AN INTENTIONAL OR GROSSLY NEGLIGENT ACT OR OMISSION, INCLUDING, BUT NOT LIMITED TO, AN ACT OR OMISSION THAT VIOLATES THE MICHIGAN PENAL CODE, 1931 PA 328, MCL 750.1 TO 750.568.".

The Senate agreed to the substitute, as amended, recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:
Senate Bill No. 1187, entitled

A bill to amend 1975 PA 238, entitled "Child protection law," by amending section 8 (MCL 722.628), as amended by 2000 PA 45.

Substitute (S-1).

The Senate agreed to the substitute recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

By unanimous consent the Senate returned to the order of

Third Reading of Bills

By unanimous consent the Senate proceeded to consideration of the following bill:

Senate Bill No. 945, entitled

A bill to amend 1974 PA 163, entitled "L.E.I.N. policy council act of 1974," by amending section 4 (MCL 28.214), as amended by 1998 PA 459.

The above bill was read a third time.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 303

Yeas—36

Bullard	Gast	Leland	Schwarz
Byrum	Goschka	McCotter	Shugars
Cherry	Gougeon	McManus	Sikkema
DeBeaussaert	Hammerstrom	Miller	Smith, A.
DeGrow	Hart	Murphy	Steil
Dingell	Hoffman	North	Stille
Dunaskiss	Jaye	Peters	Van Regenmorter
Emerson	Johnson	Rogers	Vaughn
Emmons	Koivisto	Schuette	Young

Nays—0

Excused—2

Bennett	Smith, V.
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Not Voting—0

In The Chair: Schwarz

The Senate agreed to the title of the bill.

By unanimous consent the Senate proceeded to consideration of the following bill:

Senate Bill No. 859, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," (MCL 257.1 to 257.923) by adding section 667a.

The above bill was read a third time.

The question being on the passage of the bill,

Senators Miller and Steil offered the following amendment:

1. Amend page 3, following line 23, by inserting:

"(6) IF THERE IS A FATALITY AT A RAILROAD GRADE CROSSING IN A CITY WITH A POPULATION OF 60,000 OR MORE, THE STATE TRANSPORTATION DEPARTMENT SHALL UNDERTAKE A DIAGNOSTIC REVIEW. THE DIAGNOSTIC REVIEW SHALL BE SCHEDULED WITHIN 120 DAYS. IF THE DIAGNOSTIC REVIEW CONFIRMS THAT WARNING DEVICES SUCH AS FLASHING LIGHTS AND GATES ARE NEEDED, THE STATE TRANSPORTATION DEPARTMENT SHALL ORDER SUCH IMPROVEMENTS."

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

Roll Call No. 305**Yeas—36**

Bullard	Gast	Leland	Schwarz
Byrum	Goschka	McCotter	Shugars
Cherry	Gougeon	McManus	Sikkema
DeBeaussaert	Hammerstrom	Miller	Smith, A.
DeGrow	Hart	Murphy	Steil
Dingell	Hoffman	North	Stille
Dunaskiss	Jaye	Peters	Van Regenmorter
Emerson	Johnson	Rogers	Vaughn
Emmons	Koivisto	Schuette	Young

Nays—0**Excused—2**

Bennett

Smith, V.

Not Voting—0

In The Chair: Schwarz

The question being on concurring in the committee recommendation to give the bill immediate effect,

The recommendation was concurred in, 2/3 of the members serving voting therefor.

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

“An act to revise, consolidate, codify and add to the statutes relating to crimes; to define crimes and prescribe the penalties therefor; to provide for restitution under certain circumstances; to provide for the competency of evidence at the trial of persons accused of crime; to provide immunity from prosecution for certain witnesses appearing at such trials; and to repeal certain acts and parts of acts inconsistent with or contravening any of the provisions of this act.”.

The Senate agreed to the full title.

The following bill was read a third time:

House Bill No. 5316, entitled

A bill to authorize certain governmental units to issue notes or bonds for planning for the acquisition, construction, improvement, or installation of safe drinking water facilities; to provide security for the payment of the principal of and interest on the notes or bonds; and to prescribe the powers and duties of certain governmental units.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 306**Yeas—36**

Bullard	Gast	Leland	Schwarz
Byrum	Goschka	McCotter	Shugars
Cherry	Gougeon	McManus	Sikkema
DeBeaussaert	Hammerstrom	Miller	Smith, A.
DeGrow	Hart	Murphy	Steil
Dingell	Hoffman	North	Stille
Dunaskiss	Jaye	Peters	Van Regenmorter
Emerson	Johnson	Rogers	Vaughn
Emmons	Koivisto	Schuette	Young

Nays—0

Excused—2

Bennett

Smith, V.

Not Voting—0

In The Chair: Schwarz

The question being on concurring in the committee recommendation to give the bill immediate effect, The recommendation was concurred in, 2/3 of the members serving voting therefor. The Senate agreed to the title of the bill.

The following bill was read a third time:

Senate Bill No. 1212, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," (MCL 257.1 to 257.923) by adding section 911.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 307

Yeas—36

Bullard
Byrum
Cherry
DeBeaussaert
DeGrow
Dingell
Dunaskiss
Emerson
Emmons

Gast
Goschka
Gougeon
Hammerstrom
Hart
Hoffman
Jaye
Johnson
Koivisto

Leland
McCotter
McManus
Miller
Murphy
North
Peters
Rogers
Schuette

Schwarz
Shugars
Sikkema
Smith, A.
Steil
Stille
Van Regenmorter
Vaughn
Young

Nays—0

Excused—2

Bennett

Smith, V.

Not Voting—0

In The Chair: Schwarz

The Senate agreed to the title of the bill.

The following bill was read a third time:

House Bill No. 5232, entitled

A bill to amend 1961 PA 236, entitled “Revised judicature act of 1961,” (MCL 600.101 to 600.9948) by adding section 2955b.

The question being on the passage of the bill,
 Senator Van Regenmorter offered the following amendment:

1. Amend page 3, following line 25, by inserting:

“Enacting section 1. This amendatory act takes effect 90 days after the date it is enacted.”.

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

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 308

Yeas—36

Bullard	Gast	Leland	Schwarz
Byrum	Goschka	McCotter	Shugars
Cherry	Gougeon	McManus	Sikkema
DeBeaussaert	Hammerstrom	Miller	Smith, A.
DeGrow	Hart	Murphy	Steil
Dingell	Hoffman	North	Stille
Dunaskiss	Jaye	Peters	Van Regenmorter
Emerson	Johnson	Rogers	Vaughn
Emmons	Koivisto	Schuette	Young

Nays—0

Excused—2

Bennett	Smith, V.
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Not Voting—0

In The Chair: Schwarz

The question being on concurring in the committee recommendation to give the bill immediate effect,

The recommendation was concurred in, 2/3 of the members serving voting therefor.

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

“An act to revise and consolidate the statutes relating to the organization and jurisdiction of the courts of this state; the powers and duties of such courts, and of the judges and other officers thereof; the forms and attributes of civil claims and actions; the time within which civil actions and proceedings may be brought in said courts; pleading, evidence, practice and procedure in civil and criminal actions and proceedings in said courts; to provide remedies and penalties for the violation of certain provisions of this act; to repeal all acts and parts of acts inconsistent with or contravening any of the provisions of this act; and to repeal acts and parts of acts,”.

The Senate agreed to the full title.

The following bill was read a third time:

House Bill No. 4238, entitled

A bill to amend 1927 PA 175, entitled “The code of criminal procedure,” by amending sections 1e, 16a, and 27 of chapter IX (MCL 769.1e, 769.16a, and 769.27), section 1e as added by 1993 PA 360 and section 16a as amended by 1999 PA 87, and by adding section 1h to chapter IX.

institutions, correctional farms, and probation recovery camps, to prisoner labor and correctional industries, and to the supervision and inspection of local jails and houses of correction; to provide for the siting of correctional facilities; to create a state department of corrections, and to prescribe its powers and duties; to provide for the transfer to and vesting in said department of powers and duties vested by law in certain other state boards, commissions, and officers, and to abolish certain boards, commissions, and offices the powers and duties of which are transferred by this act; to allow for the operation of certain facilities by private entities; to prescribe the powers and duties of certain other state departments and agencies; to provide for the creation of a local lockup advisory board; to prescribe penalties for the violation of the provisions of this act; to make certain appropriations; to repeal certain parts of this act on specific dates; and to repeal all acts and parts of acts inconsistent with the provisions of this act,” by amending section 64 (MCL 791.264).

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 310

Yeas—36

Bullard	Gast	Leland	Schwarz
Byrum	Goschka	McCotter	Shugars
Cherry	Gougeon	McManus	Sikkema
DeBeaussaert	Hammerstrom	Miller	Smith, A.
DeGrow	Hart	Murphy	Steil
Dingell	Hoffman	North	Stille
Dunaskiss	Jaye	Peters	Van Regenmorter
Emerson	Johnson	Rogers	Vaughn
Emmons	Koivisto	Schuette	Young

Nays—0

Excused—2

Bennett	Smith, V.
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Not Voting—0

In The Chair: Schwarz

The question being on concurring in the committee recommendation to give the bill immediate effect, The recommendation was concurred in, 2/3 of the members serving voting therefor. The Senate agreed to the title of the bill.

The following bill was read a third time:

Senate Bill No. 1108, entitled

A bill to amend 1927 PA 175, entitled “The code of criminal procedure,” by amending section 16q of chapter XVII (MCL 777.16q), as added by 1998 PA 317.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 311

Yeas—36

Bullard	Gast	Leland	Schwarz
Byrum	Goschka	McCotter	Shugars
Cherry	Gougeon	McManus	Sikkema

By unanimous consent the Senate proceeded to the order of
Introduction and Referral of Bills

House Bill No. 5078, entitled

A bill to amend 1995 PA 279, entitled "Horse racing law of 1995," by amending sections 10, 12, and 20 (MCL 431.310, 431.312, and 431.320), section 10 as amended by 1998 PA 408 and section 20 as amended by 1997 PA 73.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Farming, Agribusiness and Food Systems.

Recess

Senator Rogers moved that the Senate recess until 1:30 p.m.

The motion prevailed, the time being 12:17 p.m.

The Senate reconvened at the expiration of the recess and was called to order by the President pro tempore, Senator Schwarz.

Senators Miller, Young, Peters, Vaughn, Hart and V. Smith introduced

Senate Bill No. 1288, entitled

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending section 27 (MCL 211.27), as amended by 1994 PA 415.

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

House Bill No. 4128, entitled

A bill to provide for standards for contracts involving certain residential and care services; and to provide for remedies.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Economic Development, International Trade and Regulatory Affairs.

House Bill No. 4313, entitled

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," by amending section 3913 (MCL 500.3913), as added by 1992 PA 84.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

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

House Bill No. 5460, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending sections 20151 and 20155 (MCL 333.20151 and 333.20155), section 20155 as amended by 1996 PA 267.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

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

House Bill No. 5653, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending section 30 (MCL 206.30), as amended by 1999 PA 181.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

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

House Bill No. 5654, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," (MCL 206.1 to 206.532) by adding section 30f.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

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

House Bill No. 5681, entitled

A bill to amend 1905 PA 282, entitled "An act to provide for the assessment of the property, by whomsoever owned, operated or conducted, of railroad companies, union station and depot companies, telegraph companies, telephone companies, sleeping car companies, express companies, car loaning companies, stock car companies, refrigerator car companies, and fast freight companies, and all other companies owning, leasing, running or operating any freight, stock, refrigerator, or any other cars, not being exclusively the property of any railroad company paying taxes upon its rolling stock under the provisions of this act, over or upon the line or lines of any railroad or railroads in this state, and for the levy of taxes thereon by a state board of assessors, and for the collection of such taxes, and to repeal all acts or parts of acts contravening any of the provisions of this act," (MCL 207.1 to 207.21) by adding section 13a.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

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

House Bill No. 5690, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," (MCL 324.101 to 324.90106) by adding sections 32610 and 32611.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

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

House Bill No. 5691, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 32501, 32502, 32503, 32504, 32505, 32510, 32511, 32512, 32513, 32514, and 32515 (MCL 324.32501, 324.32502, 324.32503, 324.32504, 324.32505, 324.32510, 324.32511, 324.32512, 324.32513, 324.32514, and 324.32515), sections 32501, 32502, 32503, 32504, 32505, 32510, 32511, 32512, 32514, and 32515 as added by 1995 PA 59 and section 32513 as amended by 1999 PA 106, and by adding section 32510a and part 326.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Natural Resources and Environmental Affairs.

Recess

Senator Rogers moved that the Senate recess subject to the call of the President.

The motion prevailed, the time being 1:37 p.m.

3:04 p.m.

The Senate was called to order by the President pro tempore, Senator Schwarz.

During the recess, Senator V. Smith entered the Senate Chamber.

By unanimous consent the Senate returned to the order of

Third Reading of Bills

By unanimous consent the Senate proceeded to consideration of the following bill:

Senate Bill No. 937, entitled

A bill to amend 1939 PA 3, entitled "An act to provide for the regulation and control of public utilities and other services affected with a public interest within this state; to create a public service commission and to prescribe and define its powers and duties; to abolish the Michigan public utilities commission and to confer the powers and duties vested by law therein on the public service commission; to provide for the continuance, transfer, and completion of certain matters and proceedings; to abolish automatic adjustment clauses; to prohibit rate increases without notice and hearing; to qualify residential energy conservation programs permitted under state law for certain federal exemption; to provide for a restructuring of rates for certain utilities; to encourage the utilization of resource recovery facilities; to provide for appeals; to provide appropriations; to declare the effect of this act; to prescribe penalties; and to repeal all acts contrary to this act," (MCL 460.1 to 460.8) by adding sections 10, 10a, 10b, 10c, 10d, 10e, 10f, 10g, 10v, and 10w.

The above bill was read a third time.

The question being on the passage of the bill,
 Senator Cherry offered the following amendment:

1. Amend page 1, following "THE PEOPLE OF THE STATE OF MICHIGAN ENACT:" by inserting:

"Sec. 1. (1) A commission to be known and designated as the "Michigan public service commission" is hereby created, ~~which~~ IN THE DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES AND shall consist of 3 members. ~~, not more than 2 of whom shall be members of the same political party, appointed by the governor with the advice and consent of the senate.~~

(2) THE 3 MEMBERS OF THE COMMISSION SHALL BE ELECTED AT THE GENERAL ELECTION IN 2002. ONE MEMBER SHALL BE ELECTED TO A 2-YEAR TERM, 1 MEMBER TO A 4-YEAR TERM, AND 1 MEMBER TO A 6-YEAR TERM. ONE MEMBER SHALL BE ELECTED TO A 6-YEAR TERM AT THE GENERAL ELECTION IN 2004 AND IN EVERY GENERAL ELECTION THEREAFTER.

(3) Each member shall be a citizen of the United States, and of the state of Michigan, and ~~no~~ A member of ~~said~~ THE commission shall NOT be pecuniarily interested in any public utility or public service subject to the jurisdiction and control of the commission.

(4) During his OR HER term, ~~no~~ A member shall NOT serve as an officer or committee member of any political party organization or hold any office or be employed by any other commission, board, department, or institution in this state. ~~No~~

(5) A commission member shall NOT be retained or employed by any public utility or public service subject to the jurisdiction and control of the commission during the time he OR SHE is ~~acting~~ SERVING as ~~such~~ A commissioner, and for 6 months ~~thereafter, and no~~ AFTER HE OR SHE HAS LEFT OFFICE. A member of the commission, who is a member of the bar of the state of Michigan, shall NOT practice his OR HER profession or act as counselor or attorney in any court of this state during the time he OR SHE is a member of ~~said~~ THE commission. ~~Provided, however, This shall~~

(6) THIS SECTION DOES not require ~~any~~ A commissioner to retire from, or dissolve any partnership, of which he OR SHE is a member, but ~~said~~ THE partnership, while he OR SHE is a member of the commission, shall not engage in public utility practice.

(7) Immediately upon the taking ~~effect of this act.~~ OF OFFICE BY THE FIRST ELECTED COMMISSIONERS UNDER SUBSECTION (2), the offices of the present members of the Michigan public service commission are hereby abolished. ~~, and the members of the Michigan public service commission as herein created shall be appointed by the governor with the advice and consent of the senate, for terms of 6 years each: Provided, That of the members first appointed, 1 shall be appointed for a term of 2 years, 1 for a term of 4 years, and 1 for a term of 6 years. Upon the expiration of said terms successors shall be appointed with like qualifications and in like manner for terms of 6 years each, and until their successors are appointed and qualified. Vacancies shall be filled in the same manner as is provided for appointment in the first instance.~~

(8) THE MICHIGAN ELECTION LAW, 1954 PA 116, MCL 168.1 TO 168.992, SHALL GOVERN THE ELECTION OF COMMISSIONERS UNDER THIS ACT."

The question being on the adoption of the amendment,
 Senator V. Smith requested the yeas and nays.

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

The amendment was not adopted, a majority of the members serving not voting therefor, as follows:

Roll Call No. 313

Yeas—18

Byrum	Goschka	Leland	Smith, A.
Cherry	Hart	Miller	Smith, V.
DeBeaussaert	Hoffman	Murphy	Vaughn
Dingell	Jaye	Peters	Young
Emerson	Koivisto		

Nays—19

Bullard	Gougeon	North	Sikkema
DeGrow	Hammerstrom	Rogers	Steil
Dunaskiss	Johnson	Schuette	Stille
Emmons	McCotter	Schwarz	Van Regenmorter
Gast	McManus	Shugars	

Excused—1

Bennett

Not Voting—0

In The Chair: Schwarz

Protest

Senator DeGrow, under his constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the amendment offered by Senator Cherry to Senate Bill No. 937 and moved that the statement he made during the discussion of the amendment be printed as his reasons for voting “no.”

The motion prevailed.

Senator DeGrow’s statement is as follows:

I strongly urge a “no” vote. Where’s Jack Faxon when I need him to talk about the 1963 constitution? But the people who created that constitution were very wise in many ways. They realized that positions like the Public Service Commission and Auditor General are positions that should not be elected. What we don’t want to have in this state is a situation where people running for the Public Service Commission run around this state pandering who can cut rates the most, and pretty soon we find ourselves without a utility company and a total disaster.

Just a couple comments about states that have it. Let me read about Arizona, which is in the middle of a controversy. There it has been called “the longest running political farce in Arizona history” by the major newspaper in the state. Given some of Arizona’s problems that’s quite a statement.

Tennessee—they had a statewide election. They got rid of it. The paper there said, “The Public Service Commission accused of sleaziness in the first degree likely deserved the death sentence imposed last week.”

By electing members to the Public Service Commission, we open ourselves up to all kinds problems that the people of 1963 foresaw, and there’s good reason they chose not to have those people elected. We should re-verify those reasons today. I urge a “no” vote on the amendment.

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

The motion prevailed.

Senator McCotter’s statement is as follows:

In a similar vein to what the Senate Majority Leader mentioned, I just wanted to take a moment to point out why I’m going to be opposing this amendment with a concrete historical example. In 1918, a 24-year-old young man filed \$125 to run for a spot on his state’s railroad commission. This railroad commission was in charge of regulating common carriers, the telephone companies, and the utilities. After losing his primary by 2,000 votes, he was lucky enough to have engaged in a run-off which he won by 636 votes. And the name of the new railroad commissioner in 1918 from the northern district of Louisiana was Huey Long.

Historical precedents are important, and it seems to me that if we view the election of the MPSC as a panacea that we will be decidedly wrong. It would occur to me that the most important thing we can do is to try to depoliticize the process as best we can and provide people with a rate cut. This amendment would vitiate the first part of that two-prong test that I’ve had for this.

Senators Dunaskiss, Schuette and Sikkema offered the following amendments:

1. Amend page 2, line 21, after “SUPPLIER.” by inserting “THE ORDERS SHALL PROVIDE FOR FULL RECOVERY OF A UTILITY’S NET STRANDED COSTS AS DETERMINED BY THE COMMISSION.”.

2. Amend page 6, following line 10, by inserting:

“(9) THE COMMISSION SHALL, AFTER A CONTESTED CASE PROCEEDING, ISSUE ANNUALLY AN ORDER APPROVING FOR EACH ELECTRIC UTILITY A TRUE-UP ADJUSTMENT TO RECONCILE ANY OVERCOLLECTIONS OR UNDERCOLLECTIONS OF THE PRECEDING 12 MONTHS TO ENSURE THE RECOVERY OF ALL AMOUNTS OF NET STRANDED COSTS. THE RATES FOR CUSTOMERS REMAINING WITH AN INCUMBENT ELECTRIC UTILITY WILL NOT BE AFFECTED BY THE TRUE-UP PROCESS UNDER THIS SUBSECTION. THE COMMISSION SHALL REVIEW THE ELECTRIC UTILITY’S STRANDED COST

RECOVERY CHARGES AND SECURITIZATION CHARGES IMPLEMENTED FOR THE PRECEDING 12 MONTHS, AND ADJUST THE STRANDED COST RECOVERY CHARGE, BY WAY OF SUPPLEMENTAL SURCHARGES OR CREDITS, TO ALLOW THE NETTING OF STRANDED COSTS.

(10) THE COMMISSION SHALL CONSIDER THE REASONABLENESS AND APPROPRIATENESS OF VARIOUS METHODS TO DETERMINE NET STRANDED COSTS, INCLUDING, BUT NOT LIMITED TO, ALL OF THE FOLLOWING:

(A) EVALUATING THE RELATIONSHIP OF MARKET VALUE TO THE NET BOOK VALUE OF GENERATION ASSETS AND PURCHASED POWER CONTRACTS.

(B) EVALUATING NET STRANDED COSTS BASED ON THE MARKET PRICE OF POWER IN RELATION TO PRICES ASSUMED BY THE COMMISSION IN PRIOR ORDERS.

(C) ANY OTHER METHOD THE COMMISSION CONSIDERS APPROPRIATE.

(11) THE TRUE-UP ADJUSTMENT ADOPTED UNDER SUBSECTION (9) SHALL NOT RESULT IN A MODIFICATION TO THE SECURITIZATION CHARGE. THE COMMISSION SHALL NOT ADJUST OR CHANGE IN ANY MANNER SECURITIZATION CHARGES AUTHORIZED BY THE COMMISSION IN A FINANCING ORDER ISSUED UNDER SECTION 10I AS A RESULT OF ITS REVIEW AND ANY ACTION TAKEN UNDER SUBSECTION (9).”.

3. Amend page 8, line 14, after “2003,” by striking out “RESIDENTIAL”.

4. Amend page 8, line 20, after “10V.” by inserting “THE RATES OF COMMERCIAL OR MANUFACTURING CUSTOMERS WITH ANNUAL PEAK DEMANDS OF LESS THAN 15 KILOWATTS SHALL NOT BE INCREASED BEFORE JANUARY 1, 2005. THERE SHALL BE NO COST SHIFTING FROM CUSTOMERS WITH CAPPED RATES TO CUSTOMERS WITHOUT CAPPED RATES AS A RESULT OF THIS SECTION.”.

5. Amend page 8, line 22, after “2004,” by inserting “ANNUAL”.

6. Amend page 9, line 14, after “COSTS.” by inserting “THE COMMISSION SHALL ALLOCATE APPROVED SECURITIZATION, TRANSITION, STRANDED, AND OTHER RELATED CHARGES AND CREDITS IN A MANNER THAT DOES NOT RESULT IN A REALLOCATION OF COST RESPONSIBILITY AMONG THE DIFFERENT CUSTOMER CLASSES.”.

7. Amend page 14, line 15, following section 10AA, by inserting:

“Enacting section 1. This amendatory act does not take effect unless Senate Bill No. 1253 of the 90th Legislature is enacted into law.”.

The amendments were adopted, a majority of the members serving voting therefor.

Senator Jaye offered the following amendment:

1. Amend page 14, following line 15, by inserting:

“SEC. 10BB. ANY ORDERS ISSUED BY THE COMMISSION UNDER SECTIONS 10 THROUGH 10AA SHALL BE SUBMITTED TO THE STANDING COMMITTEES OF THE SENATE AND HOUSE OF REPRESENTATIVES WITH OVERSIGHT RESPONSIBILITY OF PUBLIC UTILITIES. AN ORDER SUBMITTED UNDER THIS SECTION SHALL NOT TAKE EFFECT FOR 120 DAYS FROM THE DATE THE ORDER IS SUBMITTED TO THE LEGISLATURE.”.

The question being on the adoption of the amendment,

Senator Rogers moved that further consideration of the amendment be postponed temporarily.

The motion prevailed.

By unanimous consent the Senate proceeded to consideration of the following amendments offered by Senator Sikkema:

1. Amend page 6, line 8, after the first “THE” by striking out “RIGHTS” and inserting “RIGHT”.

2. Amend page 6, line 9, after “UTILITY,” by striking out “ARE” and inserting “OR ITS SUCCESSORS, SHALL”.

3. Amend page 6, line 10, after “NOT” by inserting “BE”.

4. Amend page 6, line 10, after “ACT.” by inserting “NOR SHALL THE RECEIPT OF ANY PROCEEDS OF THE SECURITIZATION BONDS BY AN ELECTRIC UTILITY BE A BASIS FOR ANY REGULATORY DISALLOWANCE. FURTHER, ANY SECURITIZATION OR FINANCING ORDER ISSUED BY THE COMMISSION THAT RELATES TO A QUALIFYING FACILITY’S POWER PURCHASE CONTRACT SHALL FULLY CONSIDER THAT QUALIFYING FACILITY’S LEGAL AND FINANCIAL INTERESTS.”

The amendments were adopted, a majority of the members serving voting therefor.

Senator Rogers moved that the following amendments offered by Senator Dunaskiss be considered en bloc.

The motion prevailed.

Senator Dunaskiss offered the following amendments:

1. Amend page 3, line 14, after “UTILITIES” by inserting a period and “THE CODE OF CONDUCT SHALL INCLUDE, BUT IS NOT LIMITED TO, MEASURES”.

2. Amend page 9, line 16, after "THAT" by striking out "LICENSED".
3. Amend page 12, line 2, after "STATE." by inserting "AN ALTERNATIVE ELECTRIC SUPPLIER IS NOT AN ELECTRIC UTILITY OR A PUBLIC UTILITY."

Senator Dunaskiss offered the following amendment:

1. Amend page 6, following line 14, by inserting:
 "(2) NO LATER THAN 1 YEAR FROM THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION, EACH ELECTRIC UTILITY SHALL FILE AN APPLICATION WITH THE COMMISSION TO UNBUNDLE ITS EXISTING COMMERCIAL AND INDUSTRIAL RATE SCHEDULES AND SEPARATELY IDENTIFY AND CHARGE FOR THEIR DISCRETE SERVICES. THE COMMISSION SHALL ALLOW RECOVERY BY ELECTRIC UTILITIES OF ALL JUST AND REASONABLE COSTS INCURRED BY ELECTRIC UTILITIES TO IMPLEMENT AND ADMINISTER THE PROVISIONS OF THIS SUBSECTION." and renumbering the remaining subsections.

Senator Dunaskiss offered the following amendment:

1. Amend page 3, line 15, after "CROSS-SUBSIDIZATION" by inserting a comma and "INFORMATION SHARING, AND PREFERENTIAL TREATMENT,".

Senator Dunaskiss offered the following amendment:

1. Amend page 8, line 20, after the first "RATES" by inserting "OF AN ELECTRIC UTILITY WITH 1,000,000 OR MORE RETAIL CUSTOMERS".

Senator Dunaskiss offered the following amendments:

1. Amend page 8, line 5, after "SUBSECTION" by striking "(3)" and inserting "(4)".
2. Amend page 8, line 13, after "2003" by inserting a comma and "UNLESS OTHERWISE REDUCED BY THE COMMISSION UNDER SUBSECTION (4)".

Senator Dunaskiss offered the following amendments:

1. Amend page 4, line 9, after "ESTABLISHMENT" by inserting "OR SINGLE RESIDENCE".
2. Amend page 4, line 26, after "FACILITY" by inserting "OR SINGLE RESIDENCE".
3. Amend page 5, line 2, after "SITE" by inserting "OR SINGLE RESIDENCE".

Senator Dunaskiss offered the following amendments:

1. Amend page 8, line 9, after "2000." by inserting "NOTWITHSTANDING ANY OTHER PROVISION OF LAW OR COMMISSION ORDER,".
2. Amend page 8, line 11, after "2003" by striking out the period and inserting "AND".

Senator Dunaskiss offered the following amendments:

1. Amend page 13, line 8, after "FROM" by inserting "MICHIGAN RETAIL".
2. Amend page 13, line 11, after "NOT" by striking out "INCLUDED BY" and inserting "RECOVERED THROUGH".
3. Amend page 13, line 12, after "FERC" by striking out "IN".

The amendments were adopted, a majority of the members serving voting therefor.

By unanimous consent the Senate proceeded to consideration of the following amendment offered by Senator Jaye:

1. Amend page 9, following line 14, by inserting:
 "(7) ANY REDUCTIONS REQUIRED UNDER THIS SECTION SHALL INCLUDE ALL FEES AND CHARGES APPROVED BEFORE OR AFTER THE EFFECTIVE DATE OF THIS SECTION.".

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

Senators Rogers offered the following amendments:

1. Amend page 12, following line 16, by inserting:
 "SEC. 10T. (1) AN ELECTRIC UTILITY OR ALTERNATIVE ELECTRIC SUPPLIER SHALL NOT SHUT OFF SERVICE TO AN ELIGIBLE CUSTOMER DURING THE HEATING SEASON FOR NONPAYMENT OF A DELINQUENT ACCOUNT IF THE CUSTOMER IS AN ELIGIBLE SENIOR CITIZEN CUSTOMER OR IF THE CUSTOMER PAYS TO THE UTILITY OR SUPPLIER A MONTHLY AMOUNT EQUAL TO 7% OF THE ESTIMATED ANNUAL BILL FOR THE ELIGIBLE CUSTOMER AND THE ELIGIBLE CUSTOMER DEMONSTRATES, WITHIN 14 DAYS OF REQUESTING SHUTOFF PROTECTION, THAT HE OR SHE HAS APPLIED FOR STATE OR FEDERAL HEATING ASSISTANCE. IF AN ARREARAGE EXISTS AT THE TIME AN ELIGIBLE CUSTOMER APPLIES FOR PROTECTION FROM SHUTOFF OF SERVICE DURING THE HEATING SEASON, THE UTILITY OR SUPPLIER SHALL PERMIT THE CUSTOMER TO PAY THE ARREARAGE IN EQUAL MONTHLY INSTALLMENTS BETWEEN THE DATE OF APPLICATION AND THE START OF THE SUBSEQUENT HEATING SEASON.

(2) AN ELECTRIC UTILITY OR ALTERNATIVE ELECTRIC SUPPLIER MAY SHUT OFF SERVICE TO AN ELIGIBLE LOW-INCOME CUSTOMER WHO DOES NOT PAY THE MONTHLY AMOUNTS REQUIRED UNDER SUBSECTION (1) AFTER GIVING NOTICE IN THE MANNER REQUIRED BY RULES. THE UTILITY OR SUPPLIER IS NOT REQUIRED TO OFFER A SETTLEMENT AGREEMENT TO AN ELIGIBLE LOW-INCOME CUSTOMER WHO FAILS TO MAKE THE MONTHLY PAYMENTS REQUIRED UNDER SUBSECTION (1).

(3) IF A CUSTOMER FAILS TO COMPLY WITH THE TERMS AND CONDITIONS OF THIS SECTION, AN ELECTRIC UTILITY MAY SHUT OFF SERVICE ON ITS OWN BEHALF OR ON BEHALF OF AN ALTERNATIVE ELECTRIC SUPPLIER AFTER GIVING THE CUSTOMER A NOTICE, BY PERSONAL SERVICE OR FIRST-CLASS MAIL, THAT CONTAINS ALL OF THE FOLLOWING INFORMATION:

(A) THAT THE CUSTOMER HAS DEFAULTED ON THE WINTER PROTECTION PLAN.

(B) THE NATURE OF THE DEFAULT.

(C) THAT UNLESS THE CUSTOMER MAKES THE PAYMENTS THAT ARE PAST DUE WITHIN 10 DAYS OF THE DATE OF MAILING, THE UTILITY OR SUPPLIER MAY SHUT OFF SERVICE.

(D) THE DATE ON OR AFTER WHICH THE UTILITY OR SUPPLIER MAY SHUT OFF SERVICE, UNLESS THE CUSTOMER TAKES APPROPRIATE ACTION.

(E) THAT THE CUSTOMER HAS THE RIGHT TO FILE A COMPLAINT DISPUTING THE CLAIM OF THE UTILITY OR SUPPLIER BEFORE THE DATE OF THE PROPOSED SHUTOFF OF SERVICE.

(F) THAT THE CUSTOMER HAS THE RIGHT TO REQUEST A HEARING BEFORE A HEARING OFFICER IF THE COMPLAINT CANNOT BE OTHERWISE RESOLVED AND THAT THE CUSTOMER SHALL PAY TO THE UTILITY OR SUPPLIER THAT PORTION OF THE BILL THAT IS NOT IN DISPUTE WITHIN 3 DAYS OF THE DATE THAT THE CUSTOMER REQUESTS A HEARING.

(G) THAT THE CUSTOMER HAS THE RIGHT TO REPRESENT HIMSELF OR HERSELF, TO BE REPRESENTED BY AN ATTORNEY, OR TO BE ASSISTED BY ANY OTHER PERSON OF HIS OR HER CHOICE IN THE COMPLAINT PROCESS.

(H) THAT THE UTILITY OR SUPPLIER WILL NOT SHUT OFF SERVICE PENDING THE RESOLUTION OF A COMPLAINT THAT IS FILED WITH THE UTILITY IN ACCORDANCE WITH THIS SECTION.

(I) THE TELEPHONE NUMBER AND ADDRESS OF THE UTILITY OR SUPPLIER WHERE THE CUSTOMER MAY MAKE INQUIRY, ENTER INTO A SETTLEMENT AGREEMENT, OR FILE A COMPLAINT.

(J) THAT THE CUSTOMER SHOULD CONTACT A SOCIAL SERVICES AGENCY IMMEDIATELY IF THE CUSTOMER BELIEVES HE OR SHE MIGHT BE ELIGIBLE FOR EMERGENCY ECONOMIC ASSISTANCE.

(K) THAT THE UTILITY OR SUPPLIER WILL POSTPONE SHUTOFF OF SERVICE IF A MEDICAL EMERGENCY EXISTS AT THE CUSTOMER'S RESIDENCE.

(L) THAT THE UTILITY OR SUPPLIER MAY REQUIRE A DEPOSIT AND RESTORATION CHARGE IF THE SUPPLIER SHUTS OFF SERVICE FOR NONPAYMENT OF A DELINQUENT ACCOUNT.

(4) A REGULATED SERVICE PROVIDER IS NOT REQUIRED TO SHUT OFF SERVICE UNDER THIS SECTION TO AN ELIGIBLE CUSTOMER FOR NONPAYMENT TO A COMPETITIVE ELECTRIC SUPPLIER.

(5) THE COMMISSION SHALL ESTABLISH AN EDUCATIONAL PROGRAM TO ENSURE THAT ELIGIBLE CUSTOMERS ARE INFORMED OF THE REQUIREMENTS AND BENEFITS OF THIS SECTION.

(6) AS USED IN THIS SECTION:

(A) "ELIGIBLE CUSTOMER" MEANS EITHER AN ELIGIBLE LOW-INCOME CUSTOMER OR AN ELIGIBLE SENIOR CITIZEN CUSTOMER.

(B) "ELIGIBLE LOW-INCOME CUSTOMER" MEANS A CUSTOMER WHOSE HOUSEHOLD INCOME DOES NOT EXCEED 150% OF THE POVERTY LEVEL, AS PUBLISHED BY THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES, OR WHO RECEIVES ANY OF THE FOLLOWING:

(i) ASSISTANCE FROM A STATE EMERGENCY RELIEF PROGRAM.

(ii) FOOD STAMPS.

(iii) MEDICAID.

(C) "ELIGIBLE SENIOR CITIZEN CUSTOMER" MEANS A UTILITY OR SUPPLIER CUSTOMER WHO IS 65 YEARS OF AGE OR OLDER AND WHO ADVISES THE UTILITY OF HIS OR HER ELIGIBILITY."

2. Amend page 14, following line 15, by inserting:

"SEC. 10X. (1) THE COMMISSION SHALL NOT REQUIRE A COOPERATIVE ELECTRIC UTILITY TO PROVIDE ITS RETAIL CUSTOMERS THE ABILITY TO CHOOSE AN ALTERNATIVE ELECTRIC SUPPLIER BEFORE JANUARY 1, 2005. ANY RETAIL CUSTOMER OF A COOPERATIVE WITH A PEAK LOAD OF 1 MEGAWATT OR GREATER SHALL BE PROVIDED THE OPPORTUNITY TO CHOOSE AN ALTERNATIVE ELECTRIC SUPPLIER NO LATER THAN JANUARY 1, 2002.

(2) THE COMMISSION SHALL NOT REQUIRE A COOPERATIVE ELECTRIC UTILITY TO MAINTAIN SEPARATE FACILITIES, OPERATIONS, OR PERSONNEL, USED TO DELIVER ELECTRICITY TO RETAIL CUSTOMERS, PROVIDE RETAIL ELECTRIC SERVICE, OR TO BE AN ALTERNATIVE ELECTRIC SUPPLIER.

(3) ANY DEBT SERVICE RECOVERY CHARGE, OR OTHER CHARGE APPROVED BY THE COMMISSION FOR A COOPERATIVE ELECTRIC UTILITY SERVING PRIMARILY AT WHOLESALE MAY, UPON APPLICATION BY ITS MEMBER COOPERATIVE OR COOPERATIVES, BE ASSESSED BY AND COLLECTED THROUGH ITS MEMBER COOPERATIVE OR COOPERATIVES.

(4) THE COMMISSION SHALL NOT PROHIBIT A COOPERATIVE ELECTRIC UTILITY FROM METERING AND BILLING ITS CUSTOMERS FOR SERVICES PROVIDED BY THE COOPERATIVE ELECTRIC UTILITY.

SEC. 10Y. (1) THE GOVERNING BODY OF A MUNICIPALLY OWNED UTILITY SHALL DETERMINE WHETHER IT WILL PERMIT RETAIL CUSTOMERS RECEIVING DELIVERY SERVICE FROM THE MUNICIPALLY OWNED UTILITY THE OPPORTUNITY OF CHOOSING AN ALTERNATIVE ELECTRIC SUPPLIER, SUBJECT TO THE IMPLEMENTATION OF RATES, CHARGES, TERMS, AND CONDITIONS REFERRED TO IN SUBSECTION (7).

(2) EXCEPT WITH THE WRITTEN CONSENT OF THE MUNICIPALLY OWNED UTILITY, A PERSON SHALL NOT PROVIDE DELIVERY SERVICE OR CUSTOMER ACCOUNT SERVICE TO A RETAIL CUSTOMER THAT WAS RECEIVING THAT SERVICE FROM A MUNICIPALLY OWNED UTILITY AS OF THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION, OR IS RECEIVING THE SERVICE FROM A MUNICIPALLY OWNED UTILITY AND HAS THE OPPORTUNITY TO CHOOSE AN ALTERNATIVE ELECTRIC SUPPLIER UNDER TERMS CONSISTENT WITH THIS SECTION. FOR PURPOSES OF THIS SUBSECTION, "CUSTOMER" MEANS THE BUILDING OR FACILITIES SERVED RATHER THAN THE INDIVIDUAL, ASSOCIATION, PARTNERSHIP, CORPORATION, GOVERNMENTAL BODY, OR ANY OTHER ENTITY TAKING SERVICE.

(3) AFTER DECEMBER 31, 2007, SUBSECTION (2) DOES NOT APPLY IF THE GOVERNING BODY OF THE MUNICIPALLY OWNED UTILITY DOES NOT PERMIT ALL OF ITS RETAIL CUSTOMERS RECEIVING DELIVERY SERVICE FROM THE MUNICIPALLY OWNED UTILITY LOCATED OUTSIDE OF THE BOUNDARIES OF THE MUNICIPALITY THAT OWNS THE UTILITY THE OPPORTUNITY TO CHOOSE AN ALTERNATIVE ELECTRIC SUPPLIER.

(4) IF A MUNICIPALLY OWNED UTILITY ELECTS TO PROVIDE ELECTRIC GENERATION SERVICE TO RETAIL CUSTOMERS RECEIVING DELIVERY SERVICE FROM AN ELECTRIC UTILITY, ALL OF THE FOLLOWING APPLY:

(A) THE MUNICIPALLY OWNED UTILITY SHALL PROVIDE ALL OF ITS RETAIL CUSTOMERS RECEIVING DELIVERY SERVICE FROM THE MUNICIPALLY OWNED UTILITY LOCATED OUTSIDE OF THE BOUNDARIES OF THE MUNICIPALITY THAT OWNS THE UTILITY THE OPPORTUNITY OF CHOOSING AN ALTERNATIVE ELECTRIC SUPPLIER. THE RATES, CHARGES, TERMS, AND CONDITIONS OF DELIVERY SERVICE FOR CUSTOMERS CHOOSING AN ALTERNATIVE ELECTRIC SUPPLIER SHALL BE ESTABLISHED BY THE GOVERNING BODY OF THE MUNICIPALLY OWNED UTILITY AS PROVIDED UNDER SUBSECTION (7).

(B) IF THE MUNICIPALLY OWNED UTILITY AND AN ELECTRIC UTILITY PROVIDER BOTH PROVIDE DELIVERY SERVICE TO RETAIL CUSTOMERS IN THE SAME MUNICIPALITY LOCATED OUTSIDE OF THE BOUNDARIES OF THE MUNICIPALITY THAT OWNS THE MUNICIPAL UTILITY, THEN THE MUNICIPALLY OWNED UTILITY SHALL DO 1 OF THE FOLLOWING:

(i) MAKE A FILING AS PROVIDED UNDER SUBSECTION (5).

(ii) ENTER INTO A WRITTEN AGREEMENT AS PROVIDED UNDER SUBSECTION (6).

(C) THE MUNICIPALLY OWNED UTILITY SHALL COMPLY WITH ORDERS ISSUED PURSUANT TO SECTIONS 10A(3), 10Q, 10R, AND 10T WITH RESPECT TO CUSTOMERS LOCATED OUTSIDE OF THE MUNICIPALITY THAT OWNS THE MUNICIPALLY OWNED UTILITY. UPON A COMPLAINT OR ON THE COMMISSION'S OWN MOTION, IF THE COMMISSION FINDS, AFTER NOTICE AND HEARING, THAT THE MUNICIPALLY OWNED UTILITY NOT COMPLIED WITH A PROVISION OR ORDER ISSUED UNDER SECTIONS 10A(3), 10Q, 10R, AND 10T THE COMMISSION SHALL ORDER SUCH REMEDIES AND PENALTIES AS NECESSARY TO MAKE WHOLE A CUSTOMER OR OTHER PERSON WHO HAS SUFFERED DAMAGES AS A RESULT OF THE VIOLATION, INCLUDING, BUT NOT LIMITED TO, 1 OR MORE OF THE FOLLOWING:

(i) ORDER THE MUNICIPALLY OWNED UTILITY TO PAY A FINE OF NOT LESS THAN \$1,000.00 OR MORE THAN \$20,000.00 FOR THE FIRST OFFENSE AND NOT LESS THAN \$40,000.00 FOR A SECOND AND ANY SUBSEQUENT OFFENSE.

(ii) ORDER A REFUND TO THE CUSTOMER OF ANY EXCESS CHARGES.

(iii) ORDER ANY OTHER REMEDIES THAT WOULD MAKE WHOLE A PERSON HARMED, INCLUDING, BUT NOT LIMITED TO, PAYMENT OF REASONABLE ATTORNEY FEES.

(iv) REVOKE THE LICENSE OF THE MUNICIPALLY OWNED UTILITY IF THE COMMISSION FINDS A PATTERN OF VIOLATIONS.

(v) ISSUE CEASE AND DESIST ORDERS.

(D) THE MUNICIPALLY OWNED UTILITY MAY PROVIDE ELECTRIC GENERATION SERVICE TO SERVE ELECTRIC RETAIL CUSTOMERS RECEIVING DELIVERY SERVICE FROM AN ELECTRIC UTILITY UP TO AN AMOUNT EQUAL TO THE MUNICIPALLY OWNED UTILITY'S RETAIL CUSTOMER LOAD THAT HAS THE OPPORTUNITY OF CHOOSING FROM AN ALTERNATIVE ELECTRIC SUPPLIER.

(E) THE MUNICIPALLY OWNED UTILITY SHALL OBTAIN A LICENSE UNDER SECTION 10A(2). THE COMMISSION SHALL ISSUE A LICENSE UNLESS IT DETERMINES THAT THE MUNICIPALLY OWNED UTILITY HAS ADOPTED RATES, CHARGES, TERMS, AND CONDITIONS FOR DELIVERY SERVICE THAT ARE UNDULY DISCRIMINATORY OR REFLECT RECOVERY OF STRANDED COSTS IN AN AMOUNT CONSIDERED UNJUST AND UNREASONABLE BY THE COMMISSION. A MUNICIPALLY OWNED UTILITY OPERATING UNDER A LICENSE ISSUED BY THE COMMISSION SHALL NOTIFY THE COMMISSION BEFORE MODIFYING RATES, CHARGES, TERMS, AND CONDITIONS FOR DELIVERY SERVICES. THIS SUBSECTION DOES NOT GRANT THE COMMISSION AUTHORITY TO SET RATES FOR A MUNICIPALLY OWNED UTILITY. THE COMMISSION, AFTER NOTICE AND OPPORTUNITY FOR HEARING, MAY REVOKE A LICENSE ISSUED TO A MUNICIPALLY OWNED UTILITY IF IT DETERMINES THAT THE MUNICIPALLY OWNED UTILITY IS NOT IN COMPLIANCE WITH THIS SUBSECTION.

(5) WITH RESPECT TO ANY ELECTRIC UTILITY REGARDING DELIVERY SERVICE TO CUSTOMERS LOCATED OUTSIDE OF THE MUNICIPAL BOUNDARIES OF THE MUNICIPALITY THAT OWNS THE UTILITY, A GOVERNING BODY OF A MUNICIPALLY OWNED UTILITY MAY ELECT TO OPERATE IN COMPLIANCE WITH R 460.3411 OF THE MICHIGAN ADMINISTRATIVE CODE, AS IN EFFECT ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION. HOWEVER, COMPLIANCE WITH R 460.3411(13) OF THE MICHIGAN ADMINISTRATIVE CODE IS NOT REQUIRED FOR THE MUNICIPALLY OWNED UTILITY. CONCURRENT WITH THE FILING OF AN ELECTION UNDER THIS SUBSECTION WITH THE COMMISSION, THE MUNICIPALLY OWNED UTILITY SHALL SERVE A COPY OF THE ELECTION ON THE ELECTRIC UTILITY. BEGINNING 30 DAYS AFTER SERVICE OF THE COPY OF THE ELECTION, THE ELECTRIC UTILITY SHALL, AS TO THE ELECTING MUNICIPALLY OWNED UTILITY, BE SUBJECT TO THE TERMS OF R 460.3411 OF THE MICHIGAN ADMINISTRATIVE CODE AS IN EFFECT ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION. THE COMMISSION SHALL DECIDE DISPUTES ARISING UNDER THIS SUBSECTION SUBJECT TO JUDICIAL REVIEW AND ENFORCEMENT.

(6) A MUNICIPALLY OWNED UTILITY AND AN ELECTRIC UTILITY THAT PROVIDES DELIVERY SERVICE IN THE SAME MUNICIPALITY AS THE MUNICIPALLY OWNED UTILITY MAY ENTER INTO A WRITTEN AGREEMENT TO DEFINE THE TERRITORIAL BOUNDARIES OF EACH UTILITY'S DELIVERY SERVICE AREA AND ANY OTHER TERMS AND CONDITIONS AS NECESSARY TO PROVIDE DELIVERY SERVICE. THE AGREEMENT IS NOT EFFECTIVE UNLESS APPROVED BY THE GOVERNING BODY OF THE MUNICIPALLY OWNED UTILITY AND THE COMMISSION. THE GOVERNING BODY OF THE MUNICIPALLY OWNED UTILITY AND THE COMMISSION SHALL ANNUALLY REVIEW AND SUPERVISE COMPLIANCE WITH THE TERMS OF THE AGREEMENT. AT THE REQUEST OF A PARTY TO THE AGREEMENT, DISPUTES ARISING UNDER THE AGREEMENT SHALL BE DECIDED BY THE COMMISSION SUBJECT TO JUDICIAL REVIEW AND ENFORCEMENT.

(7) IF THE GOVERNING BODY OF A MUNICIPALLY OWNED UTILITY ESTABLISHES A PROGRAM TO PERMIT ANY OF ITS CUSTOMERS THE OPPORTUNITY TO CHOOSE AN ALTERNATIVE ELECTRIC SUPPLIER, THE GOVERNING BODY OF THE MUNICIPALLY OWNED UTILITY SHALL HAVE EXCLUSIVE JURISDICTION TO DO ALL OF THE FOLLOWING:

(A) SET DELIVERY SERVICE RATES APPLICABLE TO SERVICES PROVIDED BY THE MUNICIPALLY OWNED UTILITY THAT SHALL NOT BE UNDULY DISCRIMINATORY.

(B) DETERMINE THE AMOUNT AND TYPES OF, AND RECOVERY MECHANISM FOR, STRANDED AND TRANSITION COSTS THAT WILL BE CHARGED.

(C) ESTABLISH RULES, TERMS OF ACCESS, AND CONDITIONS THAT IT CONSIDERS APPROPRIATE FOR THE IMPLEMENTATION OF A PROGRAM TO ALLOW CUSTOMERS THE OPPORTUNITY OF CHOOSING AN ALTERNATIVE ELECTRIC SUPPLIER.

(8) COMPLAINTS ALLEGING UNDULY DISCRIMINATORY RATES OR OTHER NONCOMPLIANCE ARISING UNDER SUBSECTION (7) SHALL BE FILED IN THE CIRCUIT COURT FOR THE COUNTY IN WHICH THE MUNICIPALLY OWNED UTILITY IS LOCATED. COMPLAINTS ARISING UNDER SUBSECTION (4) SHALL BE DECIDED BY THE COMMISSION SUBJECT TO JUDICIAL REVIEW AND ENFORCEMENT.

(9) THIS SECTION DOES NOT PREVENT OR LIMIT A MUNICIPALLY OWNED UTILITY FROM SELLING ELECTRICITY AT WHOLESALE. A MUNICIPALLY OWNED UTILITY SELLING AT WHOLESALE IS NOT CONSIDERED TO BE AN ALTERNATIVE ELECTRIC SUPPLIER AND IS NOT SUBJECT TO REGULATION BY THE COMMISSION.

(10) IF A MUNICIPALLY OWNED UTILITY COMPLIES WITH SUBSECTION (4)(A), (B), AND (E) AND IS A MEMBER OF A JOINT AGENCY ESTABLISHED UNDER THE MICHIGAN ENERGY EMPLOYMENT ACT OF 1976, 1976 PA 448, MCL 460.801 TO 460.848, IT MAY WITH THE CONSENT OF THE JOINT AGENCY ASSIGN TO THE JOINT AGENCY AN AMOUNT OF LOAD UP TO THE AMOUNT THAT IT IS ALLOWED TO SERVE AS AN ELECTRIC SUPPLIER UNDER SUBSECTION (4)(D), FOR THE PURPOSE OF ALLOWING THE JOINT AGENCY THE OPPORTUNITY TO SELL RETAIL ELECTRIC GENERATION AS AN ELECTRIC SUPPLIER, IF THE JOINT AGENCY COMPLIES WITH SECTIONS 10A(3), 10Q, 10R, AND 10T AND OBTAINS A LICENSE UNDER SECTION 10A(2).

(11) THIS SECTION SHALL NOT BE CONSTRUED TO IMPAIR THE CONTRACTUAL RIGHTS OF A MUNICIPALLY OWNED UTILITY OR CUSTOMER UNDER AN EXISTING CONTRACT.

(12) CONTRACTS OR OTHER RECORDS PERTAINING TO THE SALE OF ELECTRICITY BY A MUNICIPALLY OWNED UTILITY THAT ARE IN THE POSSESSION OF A PUBLIC BODY AND THAT CONTAIN SPECIFIC PRICING OR OTHER CONFIDENTIAL OR PROPRIETARY INFORMATION MAY BE EXEMPTED FROM PUBLIC DISCLOSURE REQUIREMENTS BY THE GOVERNING BODY OF A MUNICIPALLY OWNED UTILITY. UPON SHOWING OF GOOD CAUSE, DISCLOSURE SUBJECT TO APPROPRIATE CONFIDENTIALITY PROVISIONS MAY BE ORDERED BY A COURT OR THE COMMISSION.

(13) THIS SECTION DOES NOT AFFECT THE VALIDITY OF THE ORDER RELATING TO THE TERMS AND CONDITIONS OF SERVICE IN THE TRAVERSE CITY AREA THAT WAS ISSUED AUGUST 25, 1994, BY THE COMMISSION AT THE REQUEST OF CONSUMERS POWER COMPANY AND THE LIGHT AND POWER BOARD OF THE CITY OF TRAVERSE CITY.

(14) EXCEPT AS PROVIDED FOR IN SUBSECTIONS (4)(C) AND (E) AND (10) SECTIONS 10(1), 10(2), AND 10A THROUGH 10X AND 10Z DO NOT APPLY TO A MUNICIPALLY OWNED UTILITY.

(15) AS USED IN THIS SECTION:

(A) "DELIVERY SERVICE" MEANS THE PROVIDING OF ELECTRIC TRANSMISSION OR DISTRIBUTION TO A RETAIL CUSTOMER.

(B) "MUNICIPALITY" MEANS ANY CITY, VILLAGE, OR TOWNSHIP.

(C) "CUSTOMER ACCOUNT SERVICES" MEANS BILLING AND COLLECTION, PROVISION OF A METER, METER MAINTENANCE AND TESTING, METER READING, AND OTHER ADMINISTRATIVE ACTIVITY ASSOCIATED WITH MAINTAINING A CUSTOMER ACCOUNT."

The amendments were adopted, a majority of the members serving voting therefor.

Senator Dunaskiss offered the following amendment:

1. Amend page 1, after "THE PEOPLE OF THE STATE OF MICHIGAN ENACT:" by inserting:

"Sec. 6l. (1) For purposes of implementing sections 6h, 6i, 6j, and 6k, this section and section 6m shall provide means of insuring equitable representation of the interests of energy utility customers.

(2) As used in this section and section 6m:

(a) "Annual receipts" means the payments received by the fund under section 6m(2)(a) and (b) during a calendar year.

(b) "Board" means the utility consumer participation board created under subsection (3).

(c) "Department" means the department of management and budget.

(d) "Energy cost recovery proceeding" means any proceeding to establish or implement a gas cost recovery clause or a power supply cost recovery clause as provided in sections 6h, 6i, 6j, or 6k, to set gas cost recovery factors pursuant to section 6h(17), or to set power supply cost recovery factors pursuant to section 6j(18).

(e) "Energy utility" means each electric or gas company regulated by the public service commission.

(f) "Fund" means the utility consumer representation fund created in section 6m.

(g) "Household" means a single-family home, duplex, mobile home, seasonal dwelling, farm home, cooperative, condominium, or apartment which has normal household facilities such as a bathroom, individual cooking facilities, and kitchen sink facilities. Household does not include a penal or corrective institution, or a motel, hotel, or other similar structure if used as a transient dwelling.

(h) "Jurisdictional" means subject to rate regulation by the Michigan public service commission.

(i) "Net grant proceeds" means the annual receipts of the fund less the amounts reserved for the attorney general's use and the amounts expended for board expenses and operation.

(j) "Residential energy utility consumer" or "consumer" means a customer of an energy utility who receives utility service for use within an individual household or an improvement reasonably appurtenant to and normally associated with an individual household.

(k) "Residential tariff sales" means those sales by an energy utility which are subject to residential tariffs on file with the commission.

(l) "Utility consuming industry" means a person, sole proprietorship, partnership, association, corporation, or other entity which receives utility service ordinarily and primarily for use in connection with the manufacture, sale, or

distribution of goods or the provision of services, but does not include a nonprofit organization representing residential utility customers.

(3) The utility consumer participation board is created within the department and shall exercise its powers and duties under this act independently of the department. The procurement and related management functions of the commission shall be performed under the direction and supervision of the department. The board shall consist of 5 members appointed by the governor, ~~4 of whom shall be chosen from 1 or more lists of qualified persons submitted by the Michigan consumer's council created under Act No. 277 of the Public Acts of 1966, being sections 445.821 to 445.829 of the Michigan Compiled Laws, and~~ 1 of whom shall be chosen from 1 or more lists of qualified persons submitted by the attorney general. ~~The Michigan consumer's council and the attorney general shall submit to the governor a list of as many qualified persons as the governor has vacancies to fill from that list. If the governor does not appoint all of those whose names are submitted, the Michigan consumer's council or the attorney general shall submit another list containing as many names of qualified persons as remain to be appointed. This process shall continue until all vacancies are filled by the governor.~~

(4) For the purposes of subsection (5) only, "utility" means an electric or gas company located in or outside of this state.

(5) Each member of the board shall meet the following requirements:

(a) Shall be an advocate for the interests of residential utility consumers, as demonstrated by the member's knowledge of and support for consumer interests and concerns in general or specifically related to utility matters.

(b) Shall not be, or shall not have been within the 5 years preceding appointment, a member of a governing body of, or employed in a managerial or professional or consulting capacity by a utility or an association representing utilities; an enterprise or professional practice which received over \$1,500.00 in the year preceding the appointment as a supplier of goods or services to a utility or association representing utilities; or an organization representing employees of such a utility, association, enterprise, or professional practice, or an association which represents such an organization.

(c) Shall not have, or shall not have had within 1 year preceding appointment, a financial interest exceeding \$1,500.00 in a utility, an association representing utilities, or an enterprise or professional practice which received over \$1,500.00 in the year preceding the appointment as a supplier of goods or services to a utility or association representing utilities.

(d) Shall not be an officer or director of an applicant for a grant under section 6m.

(e) Shall not be a member of the immediate family of a person who would be ineligible under subdivisions (a), (b), (c), or (d).

(6) The members of the board shall be appointed for 2-year terms beginning with the first day of a legislative session in an odd-numbered year and ending on the day before the first day of the legislative session in the next odd-numbered year or when the members' successors are appointed, whichever occurs later. The governor shall not appoint a member to the board for a term commencing after the governor's term of office has ended. A vacancy shall be filled in the same manner as the original appointment. If the vacancy is created other than by expiration of a term, the member shall be appointed for the balance of the unexpired term of the member to be succeeded.

(7) The governor shall remove a member of the board if that member is absent for any reason from either 3 consecutive board meetings or more than 50% of the meetings held by the board in a calendar year. However, a person who is removed due to absenteeism is eligible for reappointment to fill a vacancy which occurs in the board membership. The governor also shall remove a member of the board if the member is subsequently determined to be ineligible under subsection (5).

(8) The board shall hold bimonthly meetings and additional meetings as necessary. A quorum consists of 3 members. A majority vote of the members appointed and serving is necessary for a decision. At its first meeting following the appointment of new members, or as soon as possible after the first meeting, the board shall elect biennially from its membership a chairperson and a vice-chairperson.

(9) The board shall not act directly to represent the interests of residential utility consumers except through administration of the fund and grant program under this section.

(10) The business which the board may perform shall be conducted at a public meeting of the board held in compliance with the open meetings act, Act No. 267 of the Public Acts of 1976, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Public notice of the time, date, and place of the meeting shall be given in the manner required by Act No. 267 of the Public Acts of 1976.

(11) A writing prepared, owned, used, in the possession of, or retained by the board in the performance of an official function shall be made available to the public in compliance with the freedom of information act, Act No. 442 of the Public Acts of 1976, being sections 15.231 to 15.246 of the Michigan Compiled Laws.

(12) A member of the board may be reimbursed for actual and necessary expenses, including travel expenses to and from each meeting held by the board, incurred in discharging the member's duties under this section and section 6m. In addition to expense reimbursement, a board member may receive remuneration from the board of \$100.00 per meeting attended, not to exceed \$1,000.00 in a calendar year. These limits shall be adjusted proportionately to an adjustment in the remittance amounts under section 6m(4) to allow for changes in the cost of living.

(13) Until the board certifies that it is operating and ready to perform all duties under this act, the director of the energy administration created by executive directives 1976-2 and 1976-5 shall serve as temporary administrator of the fund and exercise all duties and powers of the board.”

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

Senator Murphy offered the following amendment:

1. Amend page 6, following line 10, by inserting:

“(12) THE RATES FOR RESIDENTIAL CUSTOMERS THAT REMAIN WITH OR WITH LEAVE AND LATER RETURN TO THE INCUMBENT ELECTRIC UTILITY SHALL BE DETERMINED IN THE SAME MANNER AS THE RATES WERE DETERMINED BEFORE THE EFFECTIVE DATE OF THIS SECTION.”.

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

Senator Dingell offered the following amendment:

1. Amend page 12, following line 16, by inserting:

“SEC. 10P. (1) EACH ELECTRIC AND MUNICIPAL ELECTRIC UTILITY OPERATING IN THIS STATE SHALL ESTABLISH AN INDUSTRY WORKER TRANSITION PROGRAM THAT SHALL, IN CONSULTATION WITH EMPLOYEES OR APPLICABLE COLLECTIVE BARGAINING REPRESENTATIVES, PROVIDE SKILLS UPGRADES, APPRENTICESHIP AND TRAINING PROGRAMS, VOLUNTARY SEPARATION PACKAGES CONSISTENT WITH REASONABLE BUSINESS PRACTICES, AND JOB BANKS TO COORDINATE AND ASSIST PLACEMENT OF EMPLOYEES INTO COMPARABLE EMPLOYMENT AT NO LESS THAN THE WAGE RATES AND SUBSTANTIALLY EQUIVALENT FRINGE BENEFITS RECEIVED BEFORE THE TRANSITION.

(2) STRANDED COSTS SHALL INCLUDE AUDITED AND VERIFIED EMPLOYEE-RELATED RESTRUCTURING COSTS THAT ARE INCURRED AS A RESULT OF THE AMENDATORY ACT THAT ADDED THIS SECTION OR AS A RESULT OF PRIOR COMMISSION RESTRUCTURING ORDERS, INCLUDING EMPLOYEE SEVERANCE COSTS, EMPLOYEE RETRAINING PROGRAMS, EARLY RETIREMENT PROGRAMS, OUTPLACEMENT PROGRAMS, AND SIMILAR COSTS AND PROGRAMS, THAT HAVE BEEN APPROVED AND FOUND TO BE PRUDENTLY INCURRED BY THE COMMISSION.

(3) IN THE EVENT OF A SALE, PURCHASE, OR ANY OTHER TRANSFER OF OWNERSHIP OF 1 OR MORE MICHIGAN DIVISIONS OR BUSINESS UNITS, OR GENERATING STATIONS OR GENERATING UNITS, OF AN ELECTRIC OR MUNICIPAL ELECTRIC UTILITY, TO EITHER A THIRD PARTY OR A UTILITY SUBSIDIARY, THE ELECTRIC OR MUNICIPAL ELECTRIC UTILITY’S CONTRACT AND AGREEMENTS WITH THE ACQUIRING ENTITY OR PERSONS SHALL REQUIRE ALL OF THE FOLLOWING FOR A PERIOD OF AT LEAST 30 MONTHS:

(A) THAT THE ACQUIRING ENTITY OR PERSONS HIRE A SUFFICIENT NUMBER OF NONSUPERVISORY EMPLOYEES TO SAFELY AND RELIABLY OPERATE AND MAINTAIN THE STATION, DIVISION, OR UNIT BY MAKING OFFERS OF EMPLOYMENT TO THE NONSUPERVISORY WORKFORCE OF THE ELECTRIC OR MUNICIPAL ELECTRIC UTILITY’S DIVISION, BUSINESS UNIT, GENERATING STATION, OR GENERATING UNIT.

(B) THAT THE ACQUIRING ENTITY OR PERSONS NOT EMPLOY NONSUPERVISORY EMPLOYEES FROM OUTSIDE THE ELECTRIC OR MUNICIPAL ELECTRIC UTILITY’S WORKFORCE UNLESS OFFERS OF EMPLOYMENT HAVE BEEN MADE TO ALL QUALIFIED NONSUPERVISORY EMPLOYEES OF THE ACQUIRED BUSINESS UNIT OR FACILITY.

(C) THAT THE ACQUIRING ENTITY OR PERSONS HAVE A DISPUTE RESOLUTION MECHANISM CULMINATING IN A FINAL AND BINDING DECISION BY A NEUTRAL THIRD PARTY FOR RESOLVING EMPLOYEE COMPLAINTS OR DISPUTES OVER WAGES, FRINGE BENEFITS, AND WORKING CONDITIONS.

(D) THAT THE ACQUIRING ENTITY OR PERSONS OFFER EMPLOYMENT AT NO LESS THAN THE WAGE RATES AND SUBSTANTIALLY EQUIVALENT FRINGE BENEFITS AND TERMS AND CONDITIONS OF EMPLOYMENT THAT ARE IN EFFECT AT THE TIME OF TRANSFER OF OWNERSHIP OF THE DIVISION, BUSINESS UNIT, GENERATING STATION, OR GENERATING UNIT. THE WAGE RATES AND SUBSTANTIALLY EQUIVALENT FRINGE BENEFITS AND TERMS AND CONDITIONS OF EMPLOYMENT SHALL CONTINUE FOR AT LEAST 30 MONTHS FROM THE TIME OF THE TRANSFER OF OWNERSHIP UNLESS THE EMPLOYEES, OR WHERE APPLICABLE COLLECTIVE BARGAINING REPRESENTATIVE, AND THE NEW EMPLOYER MUTUALLY AGREE TO DIFFERENT TERMS AND CONDITIONS OF EMPLOYMENT WITHIN THAT 30-MONTH PERIOD.

(4) THE ELECTRIC AND MUNICIPAL ELECTRIC UTILITY SHALL OFFER A TRANSITION PLAN TO THOSE EMPLOYEES WHO ARE NOT OFFERED JOBS BY THE ENTITY BECAUSE THE ENTITY HAS A NEED FOR FEWER WORKERS. IF THERE IS LITIGATION CONCERNING THE SALE, OR OTHER TRANSFER OF OWNERSHIP OF THE ELECTRIC OR MUNICIPAL ELECTRIC UTILITY’S DIVISIONS, BUSINESS UNITS, GENERATING STATIONS, OR GENERATING UNITS, THE 30-MONTH PERIOD UNDER SUBSECTION (3)

WILL BEGIN ON THE DATE THE ACQUIRING ENTITY OR PERSONS TAKE CONTROL OR MANAGEMENT OF THE DIVISIONS, BUSINESS UNITS, GENERATING STATIONS, OR GENERATING UNITS OF THE ELECTRIC OR MUNICIPAL ELECTRIC UTILITY.

(5) THE COMMISSION SHALL ADOPT GENERALLY APPLICABLE SERVICE QUALITY AND RELIABILITY STANDARDS FOR THE TRANSMISSION AND DISTRIBUTION SYSTEMS OF ELECTRIC UTILITIES AND OTHER ENTITIES SUBJECT TO ITS JURISDICTION, INCLUDING, BUT NOT LIMITED TO, STANDARDS FOR SERVICE OUTAGES, DISTRIBUTION FACILITY UPGRADES, REPAIRS AND MAINTENANCE, TELEPHONE SERVICE, BILLING SERVICE, OPERATIONAL RELIABILITY, AND PUBLIC AND WORKER SAFETY. IN SETTING SERVICE QUALITY AND RELIABILITY STANDARDS, THE COMMISSION SHALL CONSIDER SAFETY, COSTS, LOCAL GEOGRAPHY AND WEATHER, APPLICABLE CODES, NATIONAL ELECTRIC INDUSTRY PRACTICES, SOUND ENGINEERING JUDGMENT, AND EXPERIENCE.

(6) ANNUALLY, EACH JURISDICTIONAL UTILITY OR ENTITY SHALL FILE ITS REPORT WITH THE COMMISSION DETAILING ACTIONS TO BE TAKEN TO COMPLY WITH THE SERVICE QUALITY AND RELIABILITY STANDARDS DURING THE NEXT CALENDAR YEAR AND ITS PERFORMANCE IN RELATION TO THE SERVICE QUALITY AND RELIABILITY STANDARDS DURING THE PRIOR CALENDAR YEAR. THE ANNUAL REPORTS SHALL CONTAIN THAT DATA AS REQUIRED BY THE COMMISSION.

(7) THE COMMISSION SHALL ANALYZE THE DATA TO DETERMINE WHETHER THE JURISDICTIONAL ENTITIES ARE PROPERLY OPERATING AND MAINTAINING THEIR SYSTEMS, ASSESS THE IMPACT OF DEREGULATION ON RELIABILITY, AND TAKE CORRECTIVE ACTION IF NEEDED.

(8) THE COMMISSION SHALL BE AUTHORIZED TO LEVY FINANCIAL INCENTIVES AND PENALTIES UPON ANY JURISDICTIONAL ENTITY WHICH EXCEEDS OR FAILS TO MEET THE SERVICE QUALITY AND RELIABILITY STANDARDS.

SEC. 10Q. (1) A PERSON SHALL NOT ENGAGE IN THE BUSINESS OF AN ALTERNATIVE ELECTRIC SUPPLIER IN THIS STATE UNLESS THE PERSON OBTAINS AND MAINTAINS A LICENSE ISSUED UNDER SECTION 10A.

(2) IN ADDITION TO ANY OTHER INFORMATION REQUIRED BY THE COMMISSION IN CONNECTION WITH A LICENSING APPLICATION, THE APPLICANT SHALL BE REQUIRED TO DO BOTH OF THE FOLLOWING:

(A) PROVIDE INFORMATION, INCLUDING INFORMATION AS TO THE APPLICANT'S SAFETY RECORD AND ITS HISTORY OF SERVICE QUALITY AND RELIABILITY, AS TO THE APPLICANT'S TECHNICAL ABILITY, AS DEFINED UNDER REGULATIONS OF THE COMMISSION, TO SAFELY AND RELIABLY GENERATE OR OTHERWISE OBTAIN AND DELIVER ELECTRICITY AND PROVIDE ANY OTHER PROPOSED SERVICES.

(B) DEMONSTRATE THAT THE EMPLOYEES OF THE APPLICANT THAT WILL BE INSTALLING, OPERATING, AND MAINTAINING GENERATION OR TRANSMISSION FACILITIES WITHIN THIS STATE, OR ANY ENTITY WITH WHICH THE APPLICANT HAS CONTRACTED TO PERFORM THOSE FUNCTIONS WITHIN THIS STATE, HAVE THE REQUISITE KNOWLEDGE, SKILLS, AND COMPETENCE TO PERFORM THOSE FUNCTIONS IN A SAFE AND RESPONSIBLE MANNER IN ORDER TO PROVIDE SAFE AND RELIABLE SERVICE.

(3) ONLY INVESTOR-OWNED, COOPERATIVE, OR MUNICIPAL ELECTRIC UTILITIES SHALL OWN, CONSTRUCT, OR OPERATE ELECTRIC DISTRIBUTION FACILITIES OR ELECTRIC METER EQUIPMENT USED IN THE DISTRIBUTION OF ELECTRICITY IN THIS STATE.

(4) THE COMMISSION SHALL NOT PROHIBIT AN ELECTRIC UTILITY FROM METERING AND BILLING ITS CUSTOMERS FOR SERVICES PROVIDED BY THE ELECTRIC UTILITY."

The question being on the adoption of the amendment,

Senator Rogers moved that further consideration of the amendment be postponed temporarily.

The motion prevailed.

Senator Hart offered the following amendment:

1. Amend page 14, following line 15, by inserting:

"Enacting section 2. This amendatory act does not take effect unless Senate Bill No. 1288 of the 90th Legislature is enacted into law."

The amendment was not adopted, a majority of the members serving not voting therefor.

Senator Leland offered the following amendments:

1. Amend page 9, line 10, after "(5)" by inserting "EXCEPT FOR SAVINGS ASSIGNED TO THE LOW-INCOME AND ENERGY EFFICIENCY FUND PURSUANT TO SUBSECTION (6);".

2. Amend page 9, line 14, after "CLASSES." by inserting:

"(6) IF SECURITIZATION SAVINGS EXCEED THE AMOUNT NEEDED TO ACHIEVE A 5% RATE REDUCTION FOR ALL CUSTOMERS AND PROPORTIONATE REDUCTIONS IN THE CHARGES TO RECOVER

AN ELECTRIC UTILITY'S STRANDED COSTS, THEN, FOR A PERIOD OF 6 YEARS, 100% OF THE EXCESS SAVINGS, UP TO 2% OF THE ELECTRIC UTILITY'S COMMERCIAL AND INDUSTRIAL REVENUES, SHALL BE ALLOCATED TO THE LOW-INCOME AND ENERGY EFFICIENCY FUND ADMINISTERED BY THE COMMISSION. THE COMMISSION SHALL ESTABLISH STANDARDS FOR THE USE OF THE FUND TO PROVIDE SHUT-OFF AND OTHER PROTECTION FOR LOW-INCOME CUSTOMERS AND TO PROMOTE ENERGY EFFICIENCY BY ALL CUSTOMER CLASSES. THE COMMISSION SHALL ISSUE A REPORT TO THE LEGISLATURE AND THE GOVERNOR EVERY 2 YEARS REGARDING THE EFFECTIVENESS OF THE FUND."

3. Amend page 12, following line 16, by inserting:

"SEC. 10R. (1) THE COMMISSION SHALL ESTABLISH MINIMUM STANDARDS FOR THE FORM AND CONTENT OF ALL DISCLOSURES, EXPLANATIONS, OR SALES INFORMATION DISSEMINATED BY A PERSON SELLING ELECTRIC SERVICE TO ENSURE THAT THE PERSON PROVIDES ADEQUATE, ACCURATE, AND UNDERSTANDABLE INFORMATION ABOUT THE SERVICE THAT ENABLES A CUSTOMER TO MAKE AN INFORMED DECISION RELATING TO THE SOURCE AND TYPE OF ELECTRIC SERVICE PURCHASED. THE STANDARDS SHALL BE DEVELOPED TO DO ALL OF THE FOLLOWING:

(A) NOT BE UNDULY BURDENSOME.

(B) NOT UNNECESSARILY DELAY OR INHIBIT THE INITIATION AND DEVELOPMENT OF COMPETITION FOR ELECTRIC GENERATION SERVICE IN ANY MARKET.

(C) ESTABLISH DIFFERENT REQUIREMENTS FOR DISCLOSURES, EXPLANATIONS, OR SALES INFORMATION RELATING TO DIFFERENT SERVICES OR SIMILAR SERVICES TO DIFFERENT CLASSES OF CUSTOMERS, WHENEVER SUCH DIFFERENT REQUIREMENTS ARE APPROPRIATE TO CARRY OUT THE PURPOSES OF THIS SECTION.

(2) BEFORE JANUARY 1, 2002, THE COMMISSION SHALL ESTABLISH A FUNDING MECHANISM FOR ELECTRIC UTILITIES AND ALTERNATIVE ELECTRIC SUPPLIERS TO CARRY OUT AN EDUCATIONAL PROGRAM FOR CUSTOMERS TO DO ALL OF THE FOLLOWING:

(A) INFORM CUSTOMERS OF THE CHANGES IN THE PROVISION OF ELECTRIC SERVICE, INCLUDING, BUT NOT LIMITED TO, THE AVAILABILITY OF ALTERNATIVE ELECTRIC SUPPLIERS.

(B) INFORM CUSTOMERS OF THE REQUIREMENTS RELATING TO DISCLOSURES, EXPLANATIONS, OR SALES INFORMATION FOR ALTERNATIVE ELECTRIC SUPPLIERS.

(C) PROVIDE ASSISTANCE TO CUSTOMERS IN UNDERSTANDING AND USING THE INFORMATION TO MAKE REASONABLY INFORMED CHOICES ABOUT WHICH SERVICE TO PURCHASE AND FROM WHOM TO PURCHASE IT.

(3) THE COMMISSION SHALL REQUIRE THAT, STARTING JANUARY 1, 2002, ALL ELECTRIC SUPPLIERS DISCLOSE IN STANDARDIZED, UNIFORM FORMAT ON THE CUSTOMER'S BILL WITH A BILL INSERT OR ON CUSTOMER CONTRACTS, INFORMATION ABOUT THE ENVIRONMENTAL CHARACTERISTICS OF ELECTRICITY PRODUCTS PURCHASED BY THE CUSTOMER, INCLUDING ALL OF THE FOLLOWING:

(A) THE AVERAGE FUEL MIX, INCLUDING CATEGORIES FOR OIL, GAS, COAL, SOLAR, HYDROELECTRIC, WIND, BIOFUEL, NUCLEAR, SOLID WASTE INCINERATION, BIOMASS, AND OTHER FUEL SOURCES. IF A SOURCE FITS INTO THE OTHER CATEGORY, THE SPECIFIC SOURCE MUST BE DISCLOSED. A REGIONAL AVERAGE, DETERMINED BY THE COMMISSION, MAY BE USED ONLY FOR THAT PORTION OF THE ELECTRICITY PURCHASED BY THE CUSTOMER FOR WHICH THE FUEL MIX CANNOT BE DISCERNED. FOR THE PURPOSES OF THIS SUBDIVISION, "BIOMASS" MEANS DEDICATED CROPS GROWN FOR ENERGY PRODUCTION AND ORGANIC WASTE.

(B) THE AVERAGE EMISSIONS, IN POUNDS PER MEGAWATT HOUR, OF HIGH-LEVEL NUCLEAR WASTE GENERATED, SULFUR DIOXIDE, CARBON DIOXIDE, AND OXIDES OF NITROGEN. AN EMISSIONS DEFAULT, DETERMINED BY THE COMMISSION, MAY BE USED IF THE REGIONAL AVERAGE FUEL MIX IS BEING DISCLOSED.

(C) THE REGIONAL AVERAGE FUEL MIX AND EMISSIONS PROFILE AS REFERENCED IN SUBSECTION (3)(A) AND (B).

(4) THE INFORMATION REQUIRED BY SUBSECTION (3) SHALL BE PROVIDED NO MORE THAN TWICE ANNUALLY, AND BE BASED ON A ROLLING ANNUAL AVERAGE. EMISSIONS FACTORS WILL BE BASED ON ANNUAL PUBLICLY AVAILABLE DATA BY GENERATION SOURCE.

(5) ALL OF THE INFORMATION REQUIRED TO BE PROVIDED UNDER SUBSECTION (1) SHALL ALSO BE PROVIDED TO THE COMMISSION TO BE INCLUDED ON THE COMMISSION'S INTERNET SITE.

(6) THE COMMISSION SHALL ESTABLISH THE MICHIGAN RENEWABLES ENERGY PROGRAM. THE PROGRAM SHALL BE DESIGNED TO INFORM CUSTOMERS IN THIS STATE OF THE AVAILABILITY AND VALUE OF USING RENEWABLE ENERGY GENERATION AND THE POTENTIAL OF REDUCED POLLUTION. THE PROGRAM SHALL ALSO BE DESIGNED TO PROMOTE THE USE OF EXISTING RENEWABLE ENERGY SOURCES AND ENCOURAGE THE DEVELOPMENT OF NEW FACILITIES.

SEC. 10S. THE COMMISSION SHALL MONITOR THE EXTENT TO WHICH FEDERAL FUNDS ARE AVAILABLE FOR LOW-INCOME AND ENERGY ASSISTANCE PROGRAMS. IF THERE IS A REDUCTION IN THE AMOUNT OF THE FEDERAL FUNDS AVAILABLE TO RESIDENTS IN THIS STATE, THE COMMISSION SHALL CONDUCT A HEARING TO DETERMINE THE AMOUNT OF FUNDS AVAILABLE AND THE NEED, IF ANY, FOR SUPPLEMENTAL FUNDING. UPON COMPLETION OF THE HEARING, THE COMMISSION SHALL PREPARE A REPORT AND SUBMIT IT TO THE GOVERNOR AND THE LEGISLATURE.”.

The amendments were adopted, a majority of the members serving voting therefor.

By unanimous consent the Senate returned to consideration of the following amendment offered by Senator Jaye:

1. Amend page 14, following line 15, by inserting:

“Enacting section 2. Sections 10 through 10aa of 1939 PA 3, as added by this amendatory act, are repealed effective December 31, 2003.”.

The amendment was not adopted, a majority of the members serving not voting therefor.

Senator Jaye offered the following amendment:

1. Amend page 7, following line 8, by inserting:

“(5) ANY RATE FOR ELECTRIC SERVICE APPROVED UNDER THIS ACT SHALL NOT INCLUDE ANY COSTS INCURRED BY AN ELECTRIC UTILITY FOR ANY LOW INCOME ASSISTANCE PROGRAM.”.

The amendment was not adopted, a majority of the members serving not voting therefor.

By unanimous consent the Senate returned to consideration of the first amendment offered by Senator Jaye.

The question being on the adoption of the amendment,

The amendment was not adopted, a majority of the members serving not voting therefor.

By unanimous consent the Senate returned to consideration of the amendment offered by Senator Dingell.

The question being on the adoption of the amendment,

Senator Rogers moved that further consideration of the bill be postponed temporarily.

The motion prevailed.

Recess

Senator Rogers moved that the Senate recess subject to the call of the President.

The motion prevailed, the time being 4:01 p.m.

4:04 p.m.

The Senate was called to order by the President pro tempore, Senator Schwarz.

By unanimous consent the Senate returned to the order of

Motions and Communications

Senator Rogers moved that a respectful message be sent to the House of Representatives requesting the return of the following bill:

House Bill No. 4684

The motion prevailed.

Messages from the House

By unanimous consent the Senate proceeded to consideration of the following bill:

Senate Bill No. 378, entitled

A bill to amend 1931 PA 328, entitled “The Michigan penal code,” (MCL 750.1 to 750.568) by adding section 174a. Substitute (H-4).

The question being on concurring in the substitute made to the bill by the House,

Senator Gougeon offered the following amendment to the substitute:

1. Amend page 5, line 18, by striking out all of line 18 and inserting “90 days after the date it is enacted.”.

The amendment to the substitute was adopted.

The question being on concurring in the House substitute, as amended,
The substitute was concurred in, a majority of the members serving voting therefor, as follows:

Roll Call No. 314**Yeas—36**

Bullard	Gast	Leland	Shugars
Byrum	Goschka	McCotter	Sikkema
Cherry	Gougeon	McManus	Smith, A.
DeBeaussaert	Hammerstrom	Miller	Smith, V.
DeGrow	Hart	Murphy	Steil
Dingell	Hoffman	North	Stille
Dunaskiss	Jaye	Peters	Van Regenmorter
Emerson	Johnson	Rogers	Vaughn
Emmons	Koivisto	Schwarz	Young

Nays—0**Excused—1**

Bennett

Not Voting—1

Schuette

In The Chair: Schwarz

The question being on concurring in the committee recommendation to give the bill immediate effect,
The recommendation was concurred in, 2/3 of the members serving voting therefor.
The Senate agreed to the full title.

Senate Bill No. 597, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 16i of chapter XVII (MCL 777.16i), as added by 1998 PA 317.

Substitute (H-1).

The question being on concurring in the substitute made to the bill by the House,
Senator Gougeon offered the following amendment to the substitute:

1. Amend page 2, following line 36, enacting section 1, after "effect" by striking out the balance of the enacting section and inserting "90 days after the date it is enacted."

The amendment to the substitute was adopted.

The question being on concurring in the House substitute, as amended,

The substitute was concurred in, a majority of the members serving voting therefor, as follows:

Roll Call No. 315**Yeas—37**

Bullard	Goschka	McCotter	Shugars
Byrum	Gougeon	McManus	Sikkema

Cherry	Hammerstrom	Miller	Smith, A.
DeBeaussaert	Hart	Murphy	Smith, V.
DeGrow	Hoffman	North	Steil
Dingell	Jaye	Peters	Stille
Dunaskiss	Johnson	Rogers	Van Regenmorter
Emerson	Koivisto	Schuette	Vaughn
Emmons	Leland	Schwarz	Young
Gast			

Nays—0

Excused—1

Bennett

Not Voting—0

In The Chair: Schwarz

The question being on concurring in the committee recommendation to give the bill immediate effect,
The recommendation was concurred in, 2/3 of the members serving voting therefor.
The Senate agreed to the full title.

Senate Bill No. 585, entitled

A bill to amend 1937 PA 94, entitled "Use tax act," (MCL 205.91 to 205.111) by adding section 11.

The House of Representatives has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

The question being on concurring in the committee recommendation to give the bill immediate effect,

The recommendation was concurred in, 2/3 of the members serving voting therefor.

The Senate agreed to the full title.

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

Senate Bill No. 1135, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 234 (MCL 257.234), as amended by 1987 PA 238.

The House of Representatives has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

The question being on concurring in the committee recommendation to give the bill immediate effect,

The recommendation was concurred in, 2/3 of the members serving voting therefor.

The Senate agreed to the full title.

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

By unanimous consent the Senate returned to the order of

Third Reading of Bills

By unanimous consent the Senate returned to consideration of the following bill:

Senate Bill No. 937, entitled

A bill to amend 1939 PA 3, entitled "An act to provide for the regulation and control of public utilities and other services affected with a public interest within this state; to create a public service commission and to prescribe and define its powers and duties; to abolish the Michigan public utilities commission and to confer the powers and duties

vested by law therein on the public service commission; to provide for the continuance, transfer, and completion of certain matters and proceedings; to abolish automatic adjustment clauses; to prohibit rate increases without notice and hearing; to qualify residential energy conservation programs permitted under state law for certain federal exemption; to provide for a restructuring of rates for certain utilities; to encourage the utilization of resource recovery facilities; to provide for appeals; to provide appropriations; to declare the effect of this act; to prescribe penalties; and to repeal all acts contrary to this act," (MCL 460.1 to 460.8) by adding sections 10, 10a, 10b, 10c, 10d, 10e, 10f, 10g, 10v, and 10w.

(This bill was read a third time earlier today, amendments adopted, amendments offered and consideration postponed. See p. 856.)

The question being on the adoption of the amendment offered by Senator Dingell, Senator Dingell withdrew the amendment.

Senator Dingell offered the following amendment:

1. Amend page 12, following line 16, by inserting:

"SEC. 10P. (1) EACH ELECTRIC UTILITY OPERATING IN THIS STATE SHALL ESTABLISH AN INDUSTRY WORKER TRANSITION PROGRAM THAT SHALL, IN CONSULTATION WITH EMPLOYEES OR APPLICABLE COLLECTIVE BARGAINING REPRESENTATIVES, PROVIDE SKILLS UPGRADES, APPRENTICESHIP AND TRAINING PROGRAMS, VOLUNTARY SEPARATION PACKAGES CONSISTENT WITH REASONABLE BUSINESS PRACTICES, AND JOB BANKS TO COORDINATE AND ASSIST PLACEMENT OF EMPLOYEES INTO COMPARABLE EMPLOYMENT AT NO LESS THAN THE WAGE RATES AND SUBSTANTIALLY EQUIVALENT FRINGE BENEFITS RECEIVED BEFORE THE TRANSITION.

(2) STRANDED COSTS SHALL INCLUDE AUDITED AND VERIFIED EMPLOYEE-RELATED RESTRUCTURING COSTS THAT ARE INCURRED AS A RESULT OF THE AMENDATORY ACT THAT ADDED THIS SECTION OR AS A RESULT OF PRIOR COMMISSION RESTRUCTURING ORDERS, INCLUDING EMPLOYEE SEVERANCE COSTS, EMPLOYEE RETRAINING PROGRAMS, EARLY RETIREMENT PROGRAMS, OUTPLACEMENT PROGRAMS, AND SIMILAR COSTS AND PROGRAMS, THAT HAVE BEEN APPROVED AND FOUND TO BE PRUDENTLY INCURRED BY THE COMMISSION.

(3) IN THE EVENT OF A SALE, PURCHASE, OR ANY OTHER TRANSFER OF OWNERSHIP OF 1 OR MORE MICHIGAN DIVISIONS OR BUSINESS UNITS, OR GENERATING STATIONS OR GENERATING UNITS, OF AN ELECTRIC UTILITY, TO EITHER A THIRD PARTY OR A UTILITY SUBSIDIARY, THE ELECTRIC UTILITY'S CONTRACT AND AGREEMENTS WITH THE ACQUIRING ENTITY OR PERSONS SHALL REQUIRE ALL OF THE FOLLOWING FOR A PERIOD OF AT LEAST 30 MONTHS:

(A) THAT THE ACQUIRING ENTITY OR PERSONS HIRE A SUFFICIENT NUMBER OF NONSUPERVISORY EMPLOYEES TO SAFELY AND RELIABLY OPERATE AND MAINTAIN THE STATION, DIVISION, OR UNIT BY MAKING OFFERS OF EMPLOYMENT TO THE NONSUPERVISORY WORKFORCE OF THE ELECTRIC UTILITY'S DIVISION, BUSINESS UNIT, GENERATING STATION, OR GENERATING UNIT.

(B) THAT THE ACQUIRING ENTITY OR PERSONS NOT EMPLOY NONSUPERVISORY EMPLOYEES FROM OUTSIDE THE ELECTRIC UTILITY'S WORKFORCE UNLESS OFFERS OF EMPLOYMENT HAVE BEEN MADE TO ALL QUALIFIED NONSUPERVISORY EMPLOYEES OF THE ACQUIRED BUSINESS UNIT OR FACILITY.

(C) THAT THE ACQUIRING ENTITY OR PERSONS HAVE A DISPUTE RESOLUTION MECHANISM CULMINATING IN A FINAL AND BINDING DECISION BY A NEUTRAL THIRD PARTY FOR RESOLVING EMPLOYEE COMPLAINTS OR DISPUTES OVER WAGES, FRINGE BENEFITS, AND WORKING CONDITIONS.

(D) THAT THE ACQUIRING ENTITY OR PERSONS OFFER EMPLOYMENT AT NO LESS THAN THE WAGE RATES AND SUBSTANTIALLY EQUIVALENT FRINGE BENEFITS AND TERMS AND CONDITIONS OF EMPLOYMENT THAT ARE IN EFFECT AT THE TIME OF TRANSFER OF OWNERSHIP OF THE DIVISION, BUSINESS UNIT, GENERATING STATION, OR GENERATING UNIT. THE WAGE RATES AND SUBSTANTIALLY EQUIVALENT FRINGE BENEFITS AND TERMS AND CONDITIONS OF EMPLOYMENT SHALL CONTINUE FOR AT LEAST 30 MONTHS FROM THE TIME OF THE TRANSFER OF OWNERSHIP UNLESS THE EMPLOYEES, OR WHERE APPLICABLE COLLECTIVE BARGAINING REPRESENTATIVE, AND THE NEW EMPLOYER MUTUALLY AGREE TO DIFFERENT TERMS AND CONDITIONS OF EMPLOYMENT WITHIN THAT 30-MONTH PERIOD.

(4) THE ELECTRIC UTILITY SHALL OFFER A TRANSITION PLAN TO THOSE EMPLOYEES WHO ARE NOT OFFERED JOBS BY THE ENTITY BECAUSE THE ENTITY HAS A NEED FOR FEWER WORKERS. IF THERE IS LITIGATION CONCERNING THE SALE, OR OTHER TRANSFER OF OWNERSHIP OF THE ELECTRIC UTILITY'S DIVISIONS, BUSINESS UNITS, GENERATING STATIONS, OR GENERATING UNITS, THE 30-MONTH PERIOD UNDER SUBSECTION (3) WILL BEGIN ON THE DATE THE ACQUIRING ENTITY OR PERSONS TAKE CONTROL OR MANAGEMENT OF THE DIVISIONS, BUSINESS UNITS, GENERATING STATIONS, OR GENERATING UNITS OF THE ELECTRIC UTILITY.

(5) THE COMMISSION SHALL ADOPT GENERALLY APPLICABLE SERVICE QUALITY AND RELIABILITY STANDARDS FOR THE TRANSMISSION AND DISTRIBUTION SYSTEMS OF ELECTRIC UTILITIES AND

OTHER ENTITIES SUBJECT TO ITS JURISDICTION, INCLUDING, BUT NOT LIMITED TO, STANDARDS FOR SERVICE OUTAGES, DISTRIBUTION FACILITY UPGRADES, REPAIRS AND MAINTENANCE, TELEPHONE SERVICE, BILLING SERVICE, OPERATIONAL RELIABILITY, AND PUBLIC AND WORKER SAFETY. IN SETTING SERVICE QUALITY AND RELIABILITY STANDARDS, THE COMMISSION SHALL CONSIDER SAFETY, COSTS, LOCAL GEOGRAPHY AND WEATHER, APPLICABLE CODES, NATIONAL ELECTRIC INDUSTRY PRACTICES, SOUND ENGINEERING JUDGMENT, AND EXPERIENCE.

(6) ANNUALLY, EACH JURISDICTIONAL UTILITY OR ENTITY SHALL FILE ITS REPORT WITH THE COMMISSION DETAILING ACTIONS TO BE TAKEN TO COMPLY WITH THE SERVICE QUALITY AND RELIABILITY STANDARDS DURING THE NEXT CALENDAR YEAR AND ITS PERFORMANCE IN RELATION TO THE SERVICE QUALITY AND RELIABILITY STANDARDS DURING THE PRIOR CALENDAR YEAR. THE ANNUAL REPORTS SHALL CONTAIN THAT DATA AS REQUIRED BY THE COMMISSION.

(7) THE COMMISSION SHALL ANALYZE THE DATA TO DETERMINE WHETHER THE JURISDICTIONAL ENTITIES ARE PROPERLY OPERATING AND MAINTAINING THEIR SYSTEMS, ASSESS THE IMPACT OF DEREGULATION ON RELIABILITY, AND TAKE CORRECTIVE ACTION IF NEEDED.

(8) THE COMMISSION SHALL BE AUTHORIZED TO LEVY FINANCIAL INCENTIVES AND PENALTIES UPON ANY JURISDICTIONAL ENTITY WHICH EXCEEDS OR FAILS TO MEET THE SERVICE QUALITY AND RELIABILITY STANDARDS.

SEC. 10Q. (1) A PERSON SHALL NOT ENGAGE IN THE BUSINESS OF AN ALTERNATIVE ELECTRIC SUPPLIER IN THIS STATE UNLESS THE PERSON OBTAINS AND MAINTAINS A LICENSE ISSUED UNDER SECTION 10A.

(2) IN ADDITION TO ANY OTHER INFORMATION REQUIRED BY THE COMMISSION IN CONNECTION WITH A LICENSING APPLICATION, THE APPLICANT SHALL BE REQUIRED TO DO BOTH OF THE FOLLOWING:

(A) PROVIDE INFORMATION, INCLUDING INFORMATION AS TO THE APPLICANT'S SAFETY RECORD AND ITS HISTORY OF SERVICE QUALITY AND RELIABILITY, AS TO THE APPLICANT'S TECHNICAL ABILITY, AS DEFINED UNDER REGULATIONS OF THE COMMISSION, TO SAFELY AND RELIABLY GENERATE OR OTHERWISE OBTAIN AND DELIVER ELECTRICITY AND PROVIDE ANY OTHER PROPOSED SERVICES.

(B) DEMONSTRATE THAT THE EMPLOYEES OF THE APPLICANT THAT WILL BE INSTALLING, OPERATING, AND MAINTAINING GENERATION OR TRANSMISSION FACILITIES WITHIN THIS STATE, OR ANY ENTITY WITH WHICH THE APPLICANT HAS CONTRACTED TO PERFORM THOSE FUNCTIONS WITHIN THIS STATE, HAVE THE REQUISITE KNOWLEDGE, SKILLS, AND COMPETENCE TO PERFORM THOSE FUNCTIONS IN A SAFE AND RESPONSIBLE MANNER IN ORDER TO PROVIDE SAFE AND RELIABLE SERVICE.

(3) ONLY INVESTOR-OWNED, COOPERATIVE, OR MUNICIPAL ELECTRIC UTILITIES SHALL OWN, CONSTRUCT, OR OPERATE ELECTRIC DISTRIBUTION FACILITIES OR ELECTRIC METER EQUIPMENT USED IN THE DISTRIBUTION OF ELECTRICITY IN THIS STATE.

(4) THE COMMISSION SHALL NOT PROHIBIT AN ELECTRIC UTILITY FROM METERING AND BILLING ITS CUSTOMERS FOR SERVICES PROVIDED BY THE ELECTRIC UTILITY."

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

Senator Schuette offered the following amendment:

1. Amend page 12, following line 16, section 10Q, subsection (3), after "STATE." by inserting "THIS PROVISION DOES NOT PROHIBIT A SELF-SERVICE POWER PROVIDER FROM OWNING, CONSTRUCTING, OR OPERATING ELECTRIC DISTRIBUTION FACILITIES OR ELECTRIC METERING EQUIPMENT FOR THE SOLE PURPOSE OF PROVIDING OR UTILIZING SELF-SERVICE POWER. THIS ACT DOES NOT AFFECT THE CURRENT RIGHTS, IF ANY, OF A NONUTILITY TO CONSTRUCT OR OPERATE A PRIVATE DISTRIBUTION SYSTEM ON PRIVATE PROPERTY OR PRIVATE EASEMENTS. THIS DOES NOT PRECLUDE CROSSING OF PUBLIC RIGHTS-OF-WAY."

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

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 316

Yeas—25

Bullard
DeGrow

Gougeon
Hammerstrom

McCotter
McManus

Shugars
Sikkema

Dingell
Dunaskiss
Emmons
Gast
Goschka

Hoffman
Jaye
Johnson
Leland

Murphy
Rogers
Schuette
Schwarz

Stille
Van Regenmorter
Vaughn
Young

Nays—12

Byrum
Cherry
DeBeaussaert

Emerson
Hart
Koivisto

Miller
North
Peters

Smith, A.
Smith, V.
Steil

Excused—1

Bennett

Not Voting—0

In The Chair: Schwarz

Senator Dingell offered to amend the title to read as follows:

A bill to amend 1939 PA 3, entitled “An act to provide for the regulation and control of public utilities and other services affected with a public interest within this state; to create a public service commission and to prescribe and define its powers and duties; to abolish the Michigan public utilities commission and to confer the powers and duties vested by law therein on the public service commission; to provide for the continuance, transfer, and completion of certain matters and proceedings; to abolish automatic adjustment clauses; to prohibit rate increases without notice and hearing; to qualify residential energy conservation programs permitted under state law for certain federal exemption; to provide for a restructuring of rates for certain utilities; to encourage the utilization of resource recovery facilities; to provide for appeals; to provide appropriations; to declare the effect of this act; to prescribe penalties; and to repeal all acts contrary to this act,” by amending section 6l (MCL 460.6l), as added by 1982 PA 304, and by adding sections 10, 10a, 10b, 10c, 10d, 10e, 10f, 10g, 10p, 10q, 10r, 10s, 10t, 10v, 10w, 10x, 10y, and 10aa.

The amendment to the title was adopted.

The Senate agreed to the title as amended.

Protest

Senator Cherry, under his constitutional right of protest (Art. 4, Sec. 18), protested against the passage of Senate Bill No. 937 and moved that the statements he made during the discussion of the bill be printed as his reasons for voting “no.”

The motion prevailed.

Senator Cherry’s first statement is as follows:

I rise to explain why I intend to vote “no” on Senate Bill No. 937. I know that there are a number of amendments that were adopted that did allow a number of people who initially were going to vote “no” to vote “yes” because it took care of a number of problems specific to their constituency. I can understand that is part of the process that we all seek to get amendments adopted that will help improve bill.

But ultimately, earlier in this debate, I offered an amendment that would have called for the election of the Public Service Commission. The amendment was narrowly defeated. But that defeat, I think, fatally flawed the bill. Ultimately, all of what is being sought to be accomplished here in the way of rate reduction and bringing in new electric generators into place in terms of structuring this securitization process that is in the bill, all of that ultimately rests in the hands of the Public Service Commission.

I would say that if we ourselves individually are unable to understand the concepts of securitization, it's going to be very difficult to explain it to our constituents. But what is even more difficult is to tell them that's how it might work. There really are a few things that are of such significance as the cost and the money that people pay to buy electricity. That action is equivalent to the payment of property taxes and the payment of auto insurance. It's a big ticket item for most families in this state, and to really say that this is how the bill operates, I think, is not a good explanation to offer them.

But we're really limited to saying that because ultimately how the bill is implemented, what consumers will be required to do, and the rights that they will have under the act will by and large be left to the decisions of the Public Service Commission. We will offer promises that the bill will do this and the bill will do that, but ultimately, those promises rest on the shoulders of the Public Service Commission.

When you have an item of such importance to the average person in this state, they deserve more than a promise. They deserve a guarantee. They deserve a way to hold those who make those decisions accountable, and there's not a better way in this society to hold those who have public office accountable than through their direct election.

It's on that basis that I offer the amendment to call for the direct election of the Public Service Commission. It was argued that somehow our framers of our constitution chose another route. In fact, the framers of our constitution left that decision up to us. That's why in this statute, the very statute we're amending today establishes the method by which Public Service Commissioners are selected. In the past they were selected by appointment, but this bill changes the complexion of the electrical industry to such a degree that it's important that we begin to think about how we can hold them more accountable than they have been held in the past, and I think it requires their direct election.

In that respect, I think this bill is fatally flawed. Ultimately, we can't really tell our constituents how securitization will work. We ultimately can't even tell our constituents what their exact rate cut will be. We can't even tell our constituents that they will be able to be guaranteed in the long run of remaining in a regulated system. We'd like them to, but ultimately, that all depends upon how this thing plays out and public decisions the Public Service Commission makes. So on that basis, it is my intention to vote "no" on Senate Bill No. 937.

Senator Cherry's second statement is as follows:

I'm rising for the last time on the bill. It's interesting to listen to the discussion, and it gives one great hope to listen as Michigan enters this new world of choice and competition. How the sun will always be rising and never setting. The siren song of greater capacity, lower costs, and businesses flocking to Michigan is so attractive. It's almost as attractive as the siren song that was sung when we talked about deregulation of airlines—not us, but that debate that occurred nationally. How we would see through choice and competition, a reduction in rates, and a greater ability for citizens to travel. Well, just go back home and ask anybody if they think airline deregulation has been a great thing. It sounds very much like the siren song that was sung when we talked about deregulating the telephone industry. Just go home and ask your constituents if they see this great new world of choice and competition emerging with lower costs.

In fact, we ourselves recognize that because we are talking about changing that very act that we deregulated several years ago. It is a siren song, and you know, probably for some this will be a great act that we do today. If you own stock, you are going to benefit. If you depend upon profits, you're going to benefit. The question will be, what will the ratepayer do? What will be the effect on the ratepayer? If we are honest about it, we're going to have to simply say, time will tell. Yes, there might be an initial rate cut, but that is sunsetted. What is the long-term implication of this action we take today? The picture is not so clear. We can talk about all of these people flocking to Michigan because now we've imposed choice and competition. But what is going to be the effect with that retired person? Are they going to have to move to Florida or Arizona or Texas because they can't afford utility bills in the state of Michigan?

We need to hand our people more than a business card. We need to hand them a system that's reliable and works—you know that's what we've got. The problem we've got is not that we have it deregulated, but that we put it in a situation of uncertainty. For the most part, this system works. If it is too costly, the PSC has had several opportunities in the past couple of decades to hold the prices down. This is the very body where we are going to put the future—our future—in their hands. I think this is an unwise move. I intend to vote "no."

Senators Jaye, Schuette, Emmons, Leland and Dunaskiss asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Jaye's first statement is as follows:

This is the true cap or hard cap on the rate reduction. If you look at the bill as it's currently drafted, it only says that the rates shall be cut by 5 percent, and it will allow them, the Public Service Commission, to add additional fees or surcharges like a line connection fee or meter reading fee or transactional fee or competition fee or any other fee or charge.

What this amendment says is that any reduction acquired under this section shall include all fees and all charges approved before or after the effective date of this section. This is written by the Legislative Service Bureau to ensure that whatever the financial incumbrance might be called that the 5 percent rate reduction is a net 5 percent rate

reduction, that there cannot be any other shenanigans that would lessen the cut of 5 percent as advertised in the bill. It's truth in advertising. It's honesty. I hope that you would support this amendment.

Senator Jaye's second statement is as follows:

I hoped this amendment would receive some closer attention. The issue is about sunsets. I know that the Cherry amendment to have the Public Service Commission elected failed. I voted for that amendment. It failed, unfortunately, and some people said, "Well, if there's a sunset in this bill, don't worry about it." But having read the legislation, I found out that the sunset only deals with the Public Service Commission's authority on non-Michigan utilities. So after December 31, 2003, the Michigan Public Service Commission will no longer have authority over non-Michigan utilities that will look to sell their energy in Michigan. That will give the Public Service Commission full authority over the Michigan-based utilities.

So what this amendment says is let's have a true sunset. We are delegating an unprecedented and extraordinary amount of public policy authority to the Public Service Commission to decide what is extraneous cost and what isn't; what is allowable transitional costs or not; whether or not competition is fair; and what sorts of compensation packages and severance pay. If those bill sponsors truly believe that a sunset is necessary—which I do—to make sure that the Public Service Commission, if it goes too far, has a legislative check, then let's have a true sunset, not just over the equation that deals with utilities that are not part of a Michigan-based business.

So this amendment takes the identical language to say that this act is repealed effective December 31, 2003, and applies it across the board for all the utility providers that Michigan consumers and businesses will be forced to deal with. I request your support of this amendment.

Senator Jaye's third statement is as follows:

This amendment says that any rate for electric service shall not include costs incurred by electric utilities under section 10t. This basically is the bad debt by welfare recipients. We as the Michigan Legislature have the responsibility in providing for electrical service and gas service for welfare recipients, but we should do it honestly through the welfare budget. We have the obligation to provide for weatherization services, but we should do so under the welfare budget.

What the Public Service Commission has done, however, and what we are going to codify under this bill is to say that we are going to continue the practice for the last 20 years, and that practice is that the ratepayers, both residential and business, pay a higher rate than market value in order to cover the bad debt. What it does is that it frees up approximately \$28 million in our state General Fund for us to spend on other activities. If we would have welfare recipients' energy costs directly vended from the state Treasury Department to the utilities, there wouldn't be any rate shutoffs. If we ask the slum landlords to have a lien on their apartment complexes so that when they sell their apartment complexes the money goes back to revolving fund so other people can have the weatherization improvements, we wouldn't have these problems.

This amendment stops what's called "off-budget accounting and obligations." It's a slight of hand. It's tricky. It's shifting the responsibility from the state budget to the ratepayers who pay income tax and sales tax to fund social services. So what my amendment would say is that ratepayers should pay for their own electrical usage. They should not be subsidized in the welfare budget. This amendment continues all the senior citizens protections. It continues all the shutoff protections, but it would require all the costs be borne by the welfare department and would force charges with vendoring by saying, "We will vender each month out of this welfare recipient's account for the utility charges." Just like many of you and your constituents have direct deposits out of your checking accounts for your energy costs. This would also save a tremendous amount of administration and a tremendous amount of paperwork by the Public Service Commission and by the utilities.

If this amendment is adopted, rates will be reduced by another \$28 million and will still continue the protection for the seniors and for welfare recipients. We've got the money budgeted in the welfare budget. In addition to all this, we've got \$9 million for weatherization, \$5.5 million in the LIHEAP funds for crisis assistance for heat, and 5-7 percent of every welfare recipient's household budget earmarked for electric, and rule of thumb, 11-15 percent for heat. So if we take their monthly grant and voucher it for utilities, we wouldn't be ripping off the private ratepayers and the businesses by \$28 million.

The former State Representative Margaret O'Connor, 16 years ago started with amendments—and she was on each of the welfare budgets—admonished to offer a statute to a bill, so it wasn't a welfare budget issue. Well, this is the first opportunity that we've had in a long time on a statute to say let's have the utility obligations for those who receive public assistance come out of the welfare budget and not off-budget on the backs of the ratepayers. I request your support of the amendment.

Senator Jaye's fourth statement is as follows:

This amendment would say that no orders would take effect until the Legislature had a 120 days' notice. Since we are delegating more authority to the Public Service Commission than the 1963 constitution provided, since we are

granting extraordinary discretion to the Public Service Commissioners on what kind of costs, what kind of market procedures, and what kind of policies will be adopted or won't be adopted, then shouldn't there be some review by the Legislature. I have a 120 days because we're facing approximately a 120-day break ourselves from approximately June 9 to around September 14. The 120-day period would allow us some time, not forever, but enough time to review these orders, review the rules. This is not too much to ask considering the amount of money that's involved, the magnitude of change that's involved, and the extraordinary, if not unprecedented, delegation of our legislative policy authority to an unelected branch of government.

Please remember, too, that even if the House and the Senate passes a change or modification or repeals what the Public Service Commission does, the Legislature still has to come up with a 2/3 vote to overturn the Governor's veto. I know that the Public Service Commissioners are appointed by the Governor, but a 2/3 vote in the Legislature, according to the research provided to my office, hasn't occurred in over 28 years. So why not give this institution and those who follow in our seats at least 120 days from the date that the order is submitted to be able to review the legislation, the orders, to take testimony, and formulate some policy alternatives. Since this Public Service Commission is not elected and since they're almost entirely exempt from political pressure because of a 2/3 vote to overturn the Governor's veto, shouldn't we at least provide ourselves and the other chamber, the Michigan House of Representatives, a 120 days to digest this, particularly the committee members who specialize in this issue.

Senator Jaye's fifth statement is as follows:

This bill is a package deal with a list of protections and a mix of liabilities—a mix of both positive and negative features—both items that are protecting consumers and small businesses and items that may have some detrimental effects on them, their quality of life, their profitability, and affordability of one of the most basic commodities, and that's electricity and power.

I am going to be voting for this bill because of the amendment about having a true 5 percent cut; an honest 5 percent cut was adopted by the Senate. I appreciate my Senate colleagues supporting this amendment because the bill as originally presented to us, just said a 5 percent rate cut and was silent on any line charges, billing charges, or transition charges. So this in the final analysis convinced me to vote for the bill. I was disappointed, however, that several of the other amendments that I offered regarding having more legislative oversight, honest budgeting of bad debt by welfare recipients, and some other reforms were defeated. I am going to continue to work to make sure those reforms are continued either in the House or in some separate pieces of legislation. However, the challenge in front of us is to take a bill and decide on how to vote, and I am going to be voting "yes" on this bill. I would ask that these comments and my comments on the amendments that passed and certainly the ones that failed, be printed in the Journal as a starting point for, hopefully, a continuing process of reform to benefit the consumers and small businesses.

Senator Schuette's statement is as follows:

To choose or not to choose, that is really the question here, and that's what this bill does. It gives consumers the opportunity to choose or not to choose. This bill makes a change to an extent that consumer choice in electricity and energy in service areas of greater than one million people, mainly Detroit Edison, DTE, and Consumers Energy. That is really this new area in which we are moving, giving people the opportunity to choose or not to choose. You can stay in a regulated environment, not choose, and have the Public Service Commission set rates and make decisions, or, certain users, whether that's residential or business, will have the opportunity to choose a new power source. This is not a perfect bill, but I really think we accomplished a lot, and I give a lot of credit to chairman Dunaskiss. What we have here is a 5 percent rate cut through 2003 and then a hard cap that goes through January 1, 2006, for residential ratepayers. This is a good deal for residential ratepayers, and for those mid-sized commercial users, a freeze for another year through the end of 2004.

We dealt with the issues of stranded costs, an issue of self-service power providers. Some issues we didn't deal with. We did not open the door wide open to open market power transmission generation and service. We did not deal with an amendment that I had talked about in the past, about not having stranded cost payments made to a utility that may merge or be acquired by an out-of-state, non-Michigan utility. I do know how to count votes, however, and recognized very clearly that in this instance on this specific issue, I did not have the votes to have this amendment passed by the full Senate.

I did want to say what the motivation for that discussion we had was, and I think it is important that Michigan be a place where global companies headquarter and operate, not where they have outposts or small units or subunits. We need to have a Michigan where global companies' headquarter leadership groups live, which enriches our communities in every way. We've seen in the past, when there is an acquisition by an out-of-state company, local communities get diminished, and I want to make sure in the future we take every and all means to have Michigan be a place where we provide incentives; where global companies' headquarters grow, prosper, and expand.

But, all of this being said, when I weigh the aspect of a 5 percent rate cut, a hard cap through 2006 on residential rates, and the move towards choices, I have chosen to move on this area where we are giving people the opportunity to choose if they so desire.

Senator Emmons' statement is as follows:

I'm going to support this bill. The last time this was on the floor it was very bitter. We didn't get anything done. I think that not only my constituents lost, but we as the state of Michigan lost because I don't think we can vote "no" or say we're not going to do anything because I think the situation in Michigan needs to be subtle so that we get some more generation in this state. I'm afraid we've dilly-dallied around too long, and we may have an interesting summer. But at least I'm going to back to my constituency and say that not only did I give you a rate cut and cap, I gave you some certainty of a process where some generation can be created in Michigan.

Some people think that since they don't get a rate cut in specifically their area that what happens with the power supply in Michigan is not going to hurt them or not going to touch them. Folks, we're all in a grid. We're all in a grid. When we get a shortage in Michigan, it's going to affect everybody, and you're not going to be immune from that.

So one of the most interesting things I did learn in that last discussion of deregulation for electricity was that Detroit Edison had 65 percent of its industrial commercial customers on a special contract. Now that special contract wasn't higher; it was lower. And if we don't have some mechanism for residential customers to get a break or a choice, we are going to put our residential customers behind an eight ball. This may not be perfect, but an inaction or a "no" vote is a disaster in my mind. So I'm going to support this.

Senator Leland's statement is as follows:

I also intend on supporting this bill, and I want to thank chairman Dunaskiss for incorporating some of my concerns I had. I was asked a few days ago what it would take to bring me on board to support this package. I made it clear to the leadership, to my leader, and to the chairman that in order for me to get on board here, there were a couple of things that had to be taken into consideration: those things were, frankly, the issues that were in Senate Bill No. 1260, that being with environmental standards, and the other issue was to create some sort of funding mechanism, a trust fund if you will, for low-income constituents and energy efficiency program for them.

So I'm happy. I got what I wanted in this package, and I just wanted to let everybody know who worked on this—our staff, the technicians on our side, the Republican staff people, and the chairman—that you delivered for me, you rolled it in the main bill, and it was good working for me.

Senator Dunaskiss' statement is as follows:

I'm not going to spend a lot of time reiterating some of the fine points that were made of this being a 5 percent true cut, a true cap—no wiggle room—for small businesses and providing the reliability that we need in this state to create the new generation. I will take an extra moment or two and thank the committee members for their many long hours and effort that went into this piece of legislation. The one thing I can say in a piece legislation as complex and possibly contentious as this piece of legislation has been, it's been depoliticized a great deal, and I do appreciate the other side of the aisle for making this a bipartisan vote. We look forward to its final passage.

The following bill was read a third time:

Senate Bill No. 940, entitled

A bill to amend 1951 PA 35, entitled "An act to authorize intergovernmental contracts between municipal corporations; to authorize any municipal corporation to contract with any person or any municipal corporation to furnish any lawful municipal service to property outside the corporate limits of the first municipal corporation for a consideration; to prescribe certain penalties; to authorize contracts between municipal corporations and with certain nonprofit public transportation corporations to form group self-insurance pools; and to prescribe conditions for the performance of those contracts," by amending section 3 (MCL 124.3).

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 317

Yeas—36

Bullard	Gast	Leland	Schwarz
Byrum	Goschka	McCotter	Shugars
Cherry	Gougeon	McManus	Sikkema
DeBeaussaert	Hammerstrom	Miller	Smith, A.
DeGrow	Hart	Murphy	Smith, V.
Dingell	Hoffman	North	Stille
Dunaskiss	Jaye	Peters	Van Regenmorter
Emerson	Johnson	Rogers	Vaughn
Emmons	Koivisto	Schuette	Young

Nays—0

Excused—1

Bennett

Not Voting—1

Steil

In The Chair: Schwarz

The Senate agreed to the title of the bill.

Senator Rogers moved that Senator Steil be excused from the balance of today's session.
The motion prevailed.

The following bill was read a third time:

Senate Bill No. 941, entitled

A bill to amend 1909 PA 279, entitled "The home rule city act," by amending section 4f (MCL 117.4f).

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 318

Yeas—36

Bullard	Gast	Leland	Schwarz
Byrum	Goschka	McCotter	Shugars
Cherry	Gougeon	McManus	Sikkema
DeBeaussaert	Hammerstrom	Miller	Smith, A.
DeGrow	Hart	Murphy	Smith, V.
Dingell	Hoffman	North	Stille
Dunaskiss	Jaye	Peters	Van Regenmorter
Emerson	Johnson	Rogers	Vaughn
Emmons	Koivisto	Schuette	Young

Nays—0

Excused—2

Bennett

Steil

Not Voting—0

In The Chair: Schwarz

The Senate agreed to the title of the bill.

The following bill was read a third time:

Senate Bill No. 1253, entitled

A bill to amend 1939 PA 3, entitled “An act to provide for the regulation and control of public utilities and other services affected with a public interest within this state; to create a public service commission and to prescribe and define its powers and duties; to abolish the Michigan public utilities commission and to confer the powers and duties vested by law therein on the public service commission; to provide for the continuance, transfer, and completion of certain matters and proceedings; to abolish automatic adjustment clauses; to prohibit rate increases without notice and hearing; to qualify residential energy conservation programs permitted under state law for certain federal exemption; to provide for a restructuring of rates for certain utilities; to encourage the utilization of resource recovery facilities; to provide for appeals; to provide appropriations; to declare the effect of this act; to prescribe penalties; and to repeal all acts contrary to this act,” (MCL 460.1 to 460.8) by adding sections 10h, 10i, 10j, 10k, 10l, 10m, 10n, 10o, and 10z.

The question being on the passage of the bill,

Senators Dunaskiss, Schuette and Sikkema offered the following amendment:

1. Amend page 5, line 8, after “SHALL” by inserting “AFTER AN EXPEDITED CONTESTED CASE PROCEEDING”.

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

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 319

Yeas—24

Bullard	Gougeon	McCotter	Schwarz
DeGrow	Hammerstrom	McManus	Shugars
Dunaskiss	Hoffman	Murphy	Sikkema
Emmons	Jaye	North	Stille
Gast	Johnson	Rogers	Van Regenmorter
Goschka	Leland	Schuette	Young

Nays—12

Byrum	Dingell	Koivisto	Smith, A.
Cherry	Emerson	Miller	Smith, V.
DeBeaussaert	Hart	Peters	Vaughn

Excused—2

Bennett	Steil
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Not Voting—0

In The Chair: Schwarz

The Senate agreed to the title of the bill.

By unanimous consent the Senate proceeded to consideration of the following bill:

Senate Bill No. 1251, entitled

A bill to amend 1996 PA 376, entitled “Michigan renaissance zone act,” by amending sections 3, 4, 6, 7, and 10 (MCL 125.2683, 125.2684, 125.2686, 125.2687, and 125.2690), section 3 as amended by 1999 PA 98 and sections 4, 6, and 10 as amended by 1999 PA 139, and by adding section 8c.

The above bill was read a third time.

The question being on the passage of the bill,
The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 320**Yeas—34**

Bullard	Goschka	McManus	Shugars
Byrum	Gougeon	Miller	Sikkema
DeBeaussaert	Hammerstrom	Murphy	Smith, A.
DeGrow	Hart	North	Smith, V.
Dingell	Hoffman	Peters	Stille
Dunaskiss	Johnson	Rogers	Van Regenmorter
Emerson	Koivisto	Schuette	Vaughn
Emmons	Leland	Schwarz	Young
Gast	McCotter		

Nays—1

Jaye

Excused—2

Bennett

Steil

Not Voting—1

Cherry

In The Chair: Schwarz

Senator Stille offered to amend the title to read as follows:

A bill to amend 1996 PA 376, entitled "Michigan renaissance zone act," by amending sections 3, 4, 6, 7, and 10 (MCL 125.2683, 125.2684, 125.2686, 125.2687, and 125.2690), section 3 as amended by 1999 PA 98 and sections 4, 6, and 10 as amended by 1999 PA 139, and by adding sections 8c and 12a.

The amendment to the title was adopted.

The Senate agreed to the title as amended.

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

The motion prevailed.

Senator Schuette's statement is as follows:

We talked about this bill on General Orders. We talked about the need to make sure the ag economy of this great state gets a boost into turbo drive like the rest of our economy. We need to make sure we provide attractions and incentives for the ag processing industry to serve Michigan farmers. What we're doing is really taking the renaissance zone that we use for other segments of our economy and designating these very specifically for the agriculture side of Michigan, a \$40 billion giant, and making sure we'd have 10 different renaissance zones to help Michigan farm families. I would urge adoption of this bill to move it on to the other body.

Senators Peters, Miller, DeBeaussaert, A. Smith, Johnson, Shugars, Dunaskiss and Leland moved that they be named co-sponsors of the following bill:

Senate Bill No. 1251

The motion prevailed.

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

Senate Bill No. 796, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending section 261 (MCL 206.261), as amended by 1996 PA 484.

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

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

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

Senate Bill No. 599, entitled

A bill to create the Michigan education savings program; to provide for education savings accounts; to prescribe the powers and duties of certain state agencies, boards, and departments; to allow certain tax credits or deductions; and to provide for penalties and remedies.

The House of Representatives has substituted (H-2) the bill.

The House of Representatives has passed the bill as substituted (H-2) and ordered that it be given immediate effect.

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

Senate Bill No. 1006, entitled

A bill to amend 1974 PA 258, entitled "Mental health code," by amending sections 204a and 210 (MCL 330.1204a and 330.1210), section 204a as added and section 210 as amended by 1995 PA 290.

The House of Representatives has substituted (H-6) the bill.

The House of Representatives has passed the bill as substituted (H-6), ordered that it be given immediate effect and amended the title to read as follows:

A bill to amend 1974 PA 258, entitled "An act to codify, revise, consolidate, and classify the laws relating to mental health; to prescribe the powers and duties of certain state and local agencies and officials and certain private agencies and individuals; to regulate certain agencies and facilities providing mental health services; to provide for certain charges and fees; to establish civil admission procedures for individuals with mental illness or developmental disabilities; to establish guardianship procedures for individuals with development disability; to establish procedures regarding individuals with mental illness or developmental disability who are in the criminal justice system; to provide for penalties and remedies; and to repeal acts and parts of acts," by amending section 204a (MCL 330.1204a), as added by 1995 PA 290.

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

Senator Rogers moved that the enrollment be vacated on the following bill:

Senate Bill No. 1013

The motion prevailed.

The House of Representatives requested the return of

Senate Bill No. 1013, entitled

A bill to amend 1974 PA 258, entitled "Mental health code," by amending section 226 (MCL 330.1226), as amended by 1998 PA 417.

Senator Rogers moved that the request of the House be granted.

The motion prevailed.

By unanimous consent the Senate proceeded to the order of
Resolutions

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

Senate Resolution No. 174

Senate Resolution No. 175

The resolution consent calendar was adopted.

Senators Shugars, Gast, Schuette, Steil, Hammerstrom, Young, Byrum, McCotter, Jaye and Goschka offered the following resolution:

Senate Resolution No. 174.

A resolution to posthumously honor the life and memory of State Trooper Rick L. Johnson of Mattawan, who died May 6, 2000.

Whereas, Rick L. Johnson was born January 16, 1965, in Marquette, Michigan, to William and Carol Lynn (Patterson) Johnson. As the son of a Michigan State Police Trooper, his family lived not only in Marquette, but also in Flint, Lansing, and Petoskey. As a youngster, Rick was active in Cub Scouts and Little League baseball. In high school, he ran track and cross-country. Following his graduation from Petoskey High School, he earned a Bachelor of Arts degree in Russian language from Michigan State University, worked for St. Lawrence Hospital in security services, and occasionally served as a translator; and

Whereas, On May 24, 1989, Rick married his high school sweetheart, Sandy Thompson, and had two children, a daughter Kelsi and a son Colin; and

Whereas, In 1995, Rick followed in his dad's footsteps and became a Michigan State Police Trooper, assigned to the Paw Paw post. Rick moved his family briefly to Portage, and later to Mattawan, where he and his father built his home two years ago; and

Whereas, Rick was committed to his family and the community. He was a runner in a fundraiser for the Special Olympics, game leader for AWANA at Texas Corner Bible Church where his family attended, and member of the Michigan State Police Troopers Association. He also loved basketball and participated in several Gus Macker tournaments; and

Whereas, Rick Johnson leaves behind a host of family members and friends. In the words of his family, "Rick was a very unselfish person in everything he did. He loved spending time with his family and was a very devoted and patient person"; now, therefore, be it

Resolved by the Senate, That we express our deepest sympathy and highest honor to Rick L. Johnson, who gave unselfishly to benefit his family and those he served as a Michigan State Police Trooper, and ultimately made the supreme sacrifice of his life while attending to a routine traffic stop; and be it further

Resolved, That copies of this resolution be transmitted to the Michigan State Police post in Paw Paw and his wife Sandy Johnson in memory of his outstanding work and the lasting esteem we have for him.

Senator Rogers moved that rule 3.204 be suspended to name the entire membership of the Senate and the Lieutenant Governor as co-sponsors of the resolution.

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

Senators Shugars, Gast, Schuette, Steil, Hammerstrom, Young, McCotter and Goschka offered the following resolution:

Senate Resolution No. 175.

A resolution to honor and recognize C. John Miller as the first recipient of the C. John Miller Business Leadership Award presented by Cornerstone University of Grand Rapids.

Whereas, John Miller is presently the Chief Executive Officer of Miller Energy, Inc., located in Kalamazoo, Michigan, and Chairman of the Board of Globex Energy, Inc., located in Houston, Texas; and

Whereas, The Miller family has been involved in the oil and gas industry for three generations. John has been personally involved for over 45 years. He and his brother Gene started Miller Brothers Oil Corporation in Allegan, Michigan, in 1954. Miller Brothers was one of the most active participants in developing the Niagaran Reef Trend in Michigan. Other exploration pursuits include the Michigan Basin, Alabama, Arkansas, Colorado, Kentucky, Louisiana, Montana, North Dakota, Ohio, Texas, and Wyoming; and

Whereas, In 1984, John and his son Michael established Miller Energy, Inc., maintaining a primary interest in oil and gas exploration and production. Miller Energy exploration pursuits include further development of the Michigan Niagaran Reef, Prairie du Chien formation, Antrim Shade gas development, and other pursuits in Wyoming, Colorado, North Dakota, Montana, Ohio, Texas, Utah, and Pennsylvania; and

Whereas, Other select industries and partners of John Miller joined in forming Globex Energy, Inc., an international oil and gas exploration company, in 1990. Globex has been highly successful in establishing hydrocarbon production in West Africa and Australia and holds major concessions in the Philippines and Cameroon; and

Whereas, John Miller has been affiliated with numerous state and national industry associations, as well as serving on the board of directors of First of America Bank Corporation; and

Whereas, Mr. Miller consulted with Presidents Ford, Carter, Reagan, and Bush on national energy situations. He has met with Congressmen and women, Cabinet members, and representatives of the Department of Energy to discuss the national energy policy. During his two-year term service as the president of the Independent Petroleum Association of America, he appeared before Congress over 25 times, testifying on behalf of the oil and gas industry. In 1979, the Independent Petroleum Association of America, in an unprecedented event, elected John Miller again to serve as president. At that time, Mr. Miller took up residency in Washington, D.C., allowing better access to Congress, Cabinet members, and the Administration; and

Whereas, John has been active in numerous church and para-church activities. He has served as chairman of the board for the First Baptist Church of Allegan. John is currently a board trustee of Cornerstone University in Grand Rapids, where he has previously served two terms as chairman of the board; and

Whereas, John and his wife Reva, whom he married in 1951, have four children and 16 grandchildren, demonstrating a commitment not only to business, but also to God and their family; and

Whereas, The C. John Miller Business Leadership Award was established to annually recognize business people who have demonstrated excellence, integrity, and significant achievement in business or commerce; now, therefore, be it

Resolved by the Senate, That we express our highest congratulations and honor to C. John Miller for providing exemplary leadership in business and over 35 years of commitment to Cornerstone University, as he is recognized as the first recipient of the C. John Miller Business Leadership Award presented by Cornerstone University in June 2000; and be it further

Resolved, That copies of this resolution be transmitted to Cornerstone University in Grand Rapids and C. John Miller as a reflection of our esteem.

Senator Stille was named co-sponsor of the resolution.

By unanimous consent the Senate returned to the order of

Motions and Communications

Senator Rogers moved that the Committee on Finance be discharged from further consideration of the following bills:

Senate Bill No. 1264, entitled

A bill to amend 1945 PA 327, entitled "Aeronautics code of the state of Michigan," by amending section 203 (MCL 259.203).

Senate Bill No. 1265, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 71102 (MCL 324.71102), as added by 1995 PA 58.

Senate Bill No. 1266, entitled

A bill to amend 1980 PA 119, entitled "Motor carrier fuel tax act," by amending sections 1 and 4 (MCL 207.211 and 207.214), as amended by 1996 PA 584.

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

By unanimous consent the Senate proceeded to the order of

Messages from the Governor

The following messages from the Governor were received:

Date: May 18, 2000

Time: 1:00 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

Enrolled Senate Bill No. 956 (Public Act No. 99), being

An act bill to amend 1877 PA 164, entitled "An act to authorize cities, incorporated villages, and townships to establish and maintain, or contract for the use of, free public libraries and reading rooms; and to prescribe penalties and provide remedies," by amending section 2 (MCL 397.202).

(Filed with the Secretary of State on May 19, 2000, at 3:15 p.m.)

Date: May 18, 2000

Time: 2:00 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

Enrolled Senate Bill No. 1063 (Public Act No. 100), being

An act to amend 1994 PA 451, entitled "An act to protect the environment and natural resources of the state; to codify, revise, consolidate, and classify laws relating to the environment and natural resources of the state; to regulate

the discharge of certain substances into the environment; to regulate the use of certain lands, waters, and other natural resources of the state; to prescribe the powers and duties of certain state and local agencies and officials; to provide for certain charges, fees, and assessments; to provide certain appropriations; to prescribe penalties and provide remedies; to repeal certain parts of this act on a specific date; and to repeal certain acts and parts of acts," by amending sections 8707 and 8715 (MCL 324.8707 and 324.8715), section 8715 as amended by 1995 PA 61; and to repeal acts and parts of acts.

(Filed with the Secretary of State on May 19, 2000, at 3:15 p.m.)

Date: May 18, 2000

Time: 2:02 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

Enrolled Senate Bill No. 1088 (Public Act No. 101), being

An act to amend 1913 PA 188, entitled "An act relating to the conduct of hotels, inns and public lodging houses," by repealing section 6 (MCL 427.6).

(Filed with the Secretary of State on May 19, 2000, at 3:19 p.m.)

Date: May 18, 2000

Time: 2:04 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

Enrolled Senate Bill No. 1089 (Public Act No. 102), being

An act to amend 1913 PA 188, entitled "An act relating to the conduct of hotels, inns and public lodging houses," by repealing section 8 (MCL 427.8).

(Filed with the Secretary of State on May 19, 2000, at 3:21 p.m.)

Date: May 18, 2000

Time: 2:06 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

Enrolled Senate Bill No. 1058 (Public Act No. 103), being

An act to amend 1909 PA 269, entitled "An act to revise the laws relating to Michigan state university; and to prescribe the powers and duties of the board of trustees of Michigan state university," by repealing section 13 (MCL 390.113).

(Filed with the Secretary of State on May 19, 2000, at 3:23 p.m.)

Date: May 18, 2000

Time: 2:08 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

Enrolled Senate Bill No. 1059 (Public Act No. 104), being

An act to amend 1909 PA 269, entitled "An act to revise the laws relating to Michigan state university; and to prescribe the powers and duties of the board of trustees of Michigan state university," by repealing section 14 (MCL 390.114).

(Filed with the Secretary of State on May 19, 2000, at 3:25 p.m.)

Date: May 18, 2000

Time: 2:10 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

Enrolled Senate Bill No. 1060 (Public Act No. 105), being

An act to amend 1909 PA 269, entitled "An act to revise the laws relating to Michigan state university; and to prescribe the powers and duties of the board of trustees of Michigan state university," by repealing section 15 (MCL 390.115).

(Filed with the Secretary of State on May 19, 2000, at 3:27 p.m.)

Date: May 18, 2000
Time: 2:12 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

Enrolled Senate Bill No. 1068 (Public Act No. 106), being

An act to repeal 1927 PA 275, entitled “An act to authorize the governor and state treasurer to refund the 6 per cent bonds secured by mortgage deed of trust of the Michigan state fair grounds; to call, pay and retire the outstanding bonds, and to issue new bonds to procure the funds to pay and retire said outstanding bonds,” (MCL 12.31 to 12.35).

(Filed with the Secretary of State on May 19, 2000, at 3:29 p.m.)

Date: May 18, 2000
Time: 2:14 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

Enrolled Senate Bill No. 1085 (Public Act No. 107), being

An act to repeal 1889 PA 204, entitled “An act to authorize the township board of any township in the upper peninsula to license hawkers, peddlers and pawnbrokers, and hawking and peddling, and to regulate and license the sale or peddling of goods, wares, merchandise, refreshments or any kind of property or thing by persons going about from place to place in the township, for that purpose, or from any stand, cart, vehicle, or other device, in the streets, highways, or in or upon wharves, docks, open places or spaces, public grounds or buildings in the township, and to provide a forfeiture for every person who, without license, or contrary to the terms of any license granted to him, shall exercise any occupation or trade, or do anything in respect to which any license shall be required by any resolution or regulation of the township board, made or passed under authority of this act,” (MCL 446.101 to 446.105).

(Filed with the Secretary of State on May 19, 2000, at 3:31 p.m.)

Date: May 18, 2000
Time: 2:16 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

Enrolled Senate Bill No. 1128 (Public Act No. 108), being

An act to repeal 1915 PA 50, entitled “An act to provide for the payment of bounties for the killing of common rats,” (MCL 433.251 to 433.253).

(Filed with the Secretary of State on May 19, 2000, at 3:33 p.m.)

Date: May 18, 2000
Time: 2:18 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

Enrolled Senate Bill No. 1129 (Public Act No. 109), being

An act to repeal 1907 PA 226, entitled “An act to provide for the payment of bounties for the killing of English sparrows,” (MCL 433.281 to 433.284).

(Filed with the Secretary of State on May 19, 2000, at 3:35 p.m.)

Date: May 19, 2000
Time: 9:40 a.m.

To the President of the Senate:

Sir—I have this day approved and signed

Enrolled Senate Bill No. 392 (Public Act No. 110), being

An act to amend 1949 PA 300, entitled “An act to provide for the registration, titling, sale, transfer, and regulation of certain vehicles operated upon the public highways of this state or any other place open to the general public or generally accessible to motor vehicles and distressed vehicles; to provide for the licensing of dealers; to provide for the examination, licensing, and control of operators and chauffeurs; to provide for the giving of proof of financial responsibility and security by owners and operators of vehicles; to provide for the imposition, levy, and collection of specific taxes on vehicles, and the levy and collection of sales and use taxes, license fees, and permit fees; to provide for the regulation and use of streets and highways; to create certain funds; to provide penalties and sanctions for a violation of this act; to provide for civil liability of owners and operators of vehicles and service of process on residents and nonresidents; to provide for the levy of certain assessments; to provide for the enforcement of this act; to provide

for the creation of and to prescribe the powers and duties of certain state and local agencies; to repeal all other acts or parts of acts inconsistent with this act or contrary to this act; and to repeal certain parts of this act on a specific date," by amending section 627a (MCL 257.627a), as amended by 1996 PA 574.

(Filed with the Secretary of State on May 22, 2000, at 11:00 a.m.)

Respectfully,
John Engler
Governor

The following message from the Governor was received and read:

May 18, 2000

There are herewith presented for consideration and confirmation by the Senate, the following appointments and reappointment to office:

Athletic Board of Control

Mr. Glen Hirsch, 875 N. Hardsdale, Bloomfield Hills, Michigan 48302, county of Oakland, as a member representing professionals, succeeding Mr. Thomas F. Paruszkiewicz of Detroit, whose term has expired, for a term expiring on March 31, 2004.

Mr. William A. Phillips, 15748 Hubbell, Detroit, Michigan 48227, county of Wayne, as a member representing professionals, succeeding himself, for a term expiring on March 31, 2004.

Mr. Bruce L. Birger, 2611 Ogden Drive, West Bloomfield, Michigan 48323, county of Oakland, as a member representing the general public, succeeding Mr. Tracy A. O'Rourke of Rome, who has resigned, for a term expiring on March 31, 2003.

Sincerely,
John Engler
Governor

The appointments were referred to the Committee on Government Operations.

Committee Reports

The Committee on Technology and Energy reported

Senate Bill No. 1277, entitled

A bill to amend 1939 PA 3, entitled "An act to provide for the regulation and control of public utilities and other services affected with a public interest within this state; to create a public service commission and to prescribe and define its powers and duties; to abolish the Michigan public utilities commission and to confer the powers and duties vested by law therein on the public service commission; to provide for the continuance, transfer, and completion of certain matters and proceedings; to abolish automatic adjustment clauses; to prohibit rate increases without notice and hearing; to qualify residential energy conservation programs permitted under state law for certain federal exemption; to provide for a restructuring of rates for certain utilities; to encourage the utilization of resource recovery facilities; to provide for appeals; to provide appropriations; to declare the effect of this act; to prescribe penalties; and to repeal all acts contrary to this act," (MCL 460.1 to 460.8) by adding section 10z.

With the recommendation that the following amendments be adopted and that the bill then pass:

1. Amend page 2, line 1, after "GOVERNMENT" by inserting a comma and "PUBLIC AND PRIVATE SCHOOLS, UNIVERSITIES, AND COMMUNITY COLLEGES".

2. Amend page 2, line 2, after "FOR" by inserting "THEMSELVES OR FOR".

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

Mat Dunaskiss
Chairperson

To Report Out:

Yeas: Senators Dunaskiss, Sikkema, Schuette, Rogers, Byrum, Leland and Dingell

Nays: None

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

COMMITTEE ATTENDANCE REPORT

The Committee on Technology and Energy submits the following:

Meeting held on Thursday, May 18, 2000, at 10:30 a.m., Elijah Myers Room, Capitol Building

Present: Senators Dunaskiss (C), Sikkema, Schuette, Rogers, Byrum, Leland and Dingell

The Committee on Appropriations reported
House Concurrent Resolution No. 91.

A concurrent resolution approving the conveyance of property to the State Building Authority and approving a lease among the State of Michigan, the State Building Authority, and the Board of Control of Saginaw Valley State University relative to the Saginaw Valley State University Classroom Facility.

(For text of resolution, see Senate Journal No. 46, p. 767.)

With the recommendation that the concurrent resolution be adopted.

Harry Gast
 Chairperson

To Report Out:

Yeas: Senators Gast, Schwarz, Johnson, Hoffman, North, Gougeon, Stille, Goschka, A. Smith, Koivisto, Young, Vaughn, DeBeaussaert and Emerson

Nays: None

The concurrent resolution was placed on the order of Resolutions.

The Committee on Appropriations reported
House Concurrent Resolution No. 92.

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 North Central Michigan College relative to the North Central Michigan College Multipurpose Educational Facility and General Campus Renovations.

(For text of resolution, see Senate Journal No. 46, p. 768.)

With the recommendation that the concurrent resolution be adopted.

Harry Gast
 Chairperson

To Report Out:

Yeas: Senators Gast, Schwarz, Johnson, Hoffman, North, Gougeon, Stille, Goschka, A. Smith, Koivisto, Young, Vaughn, DeBeaussaert and Emerson

Nays: None

The concurrent resolution was placed on the order of Resolutions.

The Committee on Appropriations reported
House Concurrent Resolution No. 93.

A concurrent resolution approving the conveyance of property to the State Building Authority and approving a lease between the State of Michigan and the State Building Authority relative to the Family Independence Agency W.J. Maxey Training School.

(For text of resolution, see Senate Journal No. 46, p. 769.)

With the recommendation that the concurrent resolution be adopted.

Harry Gast
 Chairperson

To Report Out:

Yeas: Senators Gast, Schwarz, Johnson, Hoffman, North, Gougeon, Stille, Goschka, A. Smith, Koivisto, Young, Vaughn, DeBeaussaert and Emerson

Nays: None

The concurrent resolution was placed on the order of Resolutions.

The Committee on Appropriations reported
House Concurrent Resolution No. 94.

A concurrent resolution approving the conveyance of property to the State Building Authority and approving a lease between the State of Michigan and the State Building Authority relative to the Department of Agriculture Geagley Laboratory.

(For text of resolution, see Senate Journal No. 46, p. 770.)

With the recommendation that the concurrent resolution be adopted.

Harry Gast
 Chairperson

To Report Out:

Yeas: Senators Gast, Schwarz, Johnson, Hoffman, North, Gougeon, Stille, Goschka, A. Smith, Koivisto, Young, Vaughn, DeBeaussaert and Emerson

Nays: None

The concurrent resolution was placed on the order of Resolutions.

The Committee on Appropriations reported

House Concurrent Resolution No. 95.

A concurrent resolution approving the conveyance of property to the State Building Authority and approving a lease between the State of Michigan and the State Building Authority relative to the Department of Corrections Multilevel Correctional Facility at Ionia.

(For text of resolution, see Senate Journal No. 46, p. 771.)

With the recommendation that the concurrent resolution be adopted.

Harry Gast
Chairperson

To Report Out:

Yeas: Senators Gast, Schwarz, Johnson, Hoffman, North, Gougeon, Stille, Goschka, A. Smith, Koivisto, Young, Vaughn, DeBeaussaert and Emerson

Nays: None

The concurrent resolution was placed on the order of Resolutions.

The Committee on Appropriations reported

House Concurrent Resolution No. 96.

A concurrent resolution approving the conveyance of property to the State Building Authority and approving a lease between the State of Michigan and the State Building Authority relative to the Department of Corrections Cooper Street Correctional Facility Additional Housing Units.

(For text of resolution, see Senate Journal No. 46, p. 772.)

With the recommendation that the concurrent resolution be adopted.

Harry Gast
Chairperson

To Report Out:

Yeas: Senators Gast, Schwarz, Johnson, Hoffman, North, Gougeon, Stille, Goschka, A. Smith, Koivisto, Young, Vaughn, DeBeaussaert and Emerson

Nays: None

The concurrent resolution was placed on the order of Resolutions.

The Committee on Appropriations reported

House Concurrent Resolution No. 97.

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 Lake Michigan College relative to the Lake Michigan College Financial and Student Services Center.

(For text of resolution, see Senate Journal No. 46, p. 773.)

With the recommendation that the concurrent resolution be adopted.

Harry Gast
Chairperson

To Report Out:

Yeas: Senators Gast, Schwarz, Johnson, Hoffman, North, Gougeon, Stille, Goschka, A. Smith, Koivisto, Young, Vaughn, DeBeaussaert and Emerson

Nays: None

The concurrent resolution was placed on the order of Resolutions.

The Committee on Appropriations reported

House Concurrent Resolution No. 98.

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 State University relative to the Michigan State University Science Building Renovations.

(For text of resolution, see Senate Journal No. 46, p. 774.)

With the recommendation that the concurrent resolution be adopted.

Harry Gast
Chairperson

To Report Out:

Yeas: Senators Gast, Schwarz, Johnson, Hoffman, North, Gougeon, Stille, Goschka, A. Smith, Koivisto, Young, Vaughn, DeBeaussaert and Emerson

Nays: None

The concurrent resolution was placed on the order of Resolutions.

The Committee on Appropriations reported
House Concurrent Resolution No. 99.

A concurrent resolution approving the conveyance of property to the State Building Authority and approving a lease among the State of Michigan, the State Building Authority, and the Regents of the University of Michigan relative to the University of Michigan-Dearborn General Campus Classroom Renovations (Phase III) College of Arts, Sciences & Letters.

(For text of resolution, see Senate Journal No. 46, p. 775.)

With the recommendation that the concurrent resolution be adopted.

Harry Gast
 Chairperson

To Report Out:

Yeas: Senators Gast, Schwarz, Johnson, Hoffman, North, Gougeon, Stille, Goschka, A. Smith, Koivisto, Young, Vaughn, DeBeaussaert and Emerson

Nays: None

The concurrent resolution was placed on the order of Resolutions.

The Committee on Appropriations reported
House Concurrent Resolution No. 100.

A concurrent resolution approving the conveyance of property to the State Building Authority and approving a lease among the State of Michigan, the State Building Authority, and the Regents of the University of Michigan relative to the University of Michigan-Dearborn General Campus Classroom Renovations (Phase III) Environmental Interpretive Center.

(For text of resolution, see Senate Journal No. 46, p. 776.)

With the recommendation that the concurrent resolution be adopted.

Harry Gast
 Chairperson

To Report Out:

Yeas: Senators Gast, Schwarz, Johnson, Hoffman, North, Gougeon, Stille, Goschka, A. Smith, Koivisto, Young, Vaughn, DeBeaussaert and Emerson

Nays: None

The concurrent resolution was placed on the order of Resolutions.

The Committee on Appropriations reported
House Concurrent Resolution No. 101.

A concurrent resolution approving the conveyance of property to the State Building Authority and approving a lease among the State of Michigan, the State Building Authority, and the Regents of the University of Michigan relative to the University of Michigan-Flint Professional Studies and Classroom Building.

(For text of resolution, see Senate Journal No. 46, p. 778.)

With the recommendation that the concurrent resolution be adopted.

Harry Gast
 Chairperson

To Report Out:

Yeas: Senators Gast, Schwarz, Johnson, Hoffman, North, Gougeon, Stille, Goschka, A. Smith, Koivisto, Young, Vaughn, DeBeaussaert and Emerson

Nays: None

The concurrent resolution was placed on the order of Resolutions.

The Committee on Appropriations reported
House Concurrent Resolution No. 102.

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 Macomb Community College relative to the Macomb Community College University Center.

(For text of resolution, see Senate Journal No. 46, p. 779.)

With the recommendation that the concurrent resolution be adopted.

Harry Gast
 Chairperson

To Report Out:

Yeas: Senators Gast, Schwarz, Johnson, Hoffman, North, Gougeon, Stille, Goschka, A. Smith, Koivisto, Young, Vaughn, DeBeaussaert and Emerson

Nays: None

The concurrent resolution was placed on the order of Resolutions.

The Committee on Appropriations reported

House Bill No. 5274, entitled

A bill to make appropriations for the department of career development and certain other state purposes for the fiscal year ending September 30, 2001; to provide for the expenditure of the appropriations; and to provide for the disposition of fees and other income received by the state agencies.

With the recommendation that the substitute (S-1) be adopted and that the bill then pass.

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

Harry Gast
Chairperson

To Report Out:

Yeas: Senators Gast, Schwarz, McManus, Johnson, Hoffman, North, Gougeon, Stille, Goschka, A. Smith, Koivisto, Young, DeBeaussaert and Emerson

Nays: Senator Vaughn

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

The Committee on Appropriations reported

House Bill No. 5275, 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, 2001; 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.

With the recommendation that the substitute (S-1) be adopted and that the bill then pass.

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

Harry Gast
Chairperson

To Report Out:

Yeas: Senators Gast, Schwarz, McManus, Johnson, Hoffman, North, Gougeon, Stille, Goschka, A. Smith, Young, Vaughn and DeBeaussaert

Nays: None

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

The Committee on Appropriations reported

House Bill No. 5277, entitled

A bill to make appropriations for the family independence agency and certain state purposes related to public welfare services for the fiscal year ending September 30, 2001; to provide for the expenditure of the appropriations; to create funds; to provide for the imposition of fees; to provide for reports; to provide for the disposition of fees and other income received by the state agency; and to provide for the powers and duties of certain individuals, local governments, and state departments, agencies, and officers.

With the recommendation that the substitute (S-1) be adopted and that the bill then pass.

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

Harry Gast
Chairperson

To Report Out:

Yeas: Senators Gast, Schwarz, McManus, Johnson, North, Gougeon, Stille, Goschka, A. Smith, Young, Vaughn, DeBeaussaert and Emerson

Nays: None

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

The Committee on Appropriations reported
House Bill No. 5278, 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, 2001; 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, 2001; 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.

With the recommendation that the substitute (S-1) be adopted and that the bill then pass.

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

Harry Gast
 Chairperson

To Report Out:

Yeas: Senators Gast, Schwarz, McManus, Johnson, Stille, A. Smith, Young, Vaughn, DeBeaussaert and Emerson

Nays: None

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

The Committee on Appropriations reported
House Bill No. 5284, entitled

A bill to make appropriations for the state transportation department and certain transportation purposes for the fiscal year ending September 30, 2001; to provide for the imposition of fees; to provide for reports; to create certain funds and programs; to prescribe requirements for certain railroad and bus facilities; to prescribe certain powers and duties of certain state departments and officials and local units of government; and to provide for the expenditure of the appropriations.

With the recommendation that the substitute (S-1) be adopted and that the bill then pass.

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

Harry Gast
 Chairperson

To Report Out:

Yeas: Senators Gast, Schwarz, McManus, Johnson, Hoffman, North, Gougeon, Stille, Goschka, A. Smith, Young, Vaughn, DeBeaussaert and Emerson

Nays: None

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

The Committee on Appropriations reported
House Bill No. 5468, entitled

A bill to amend 1980 PA 300, entitled "The public school employees retirement act of 1979," by amending section 5 (MCL 38.1305), as amended by 1998 PA 123.

With the recommendation that the bill pass.

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

Harry Gast
 Chairperson

To Report Out:

Yeas: Senators Gast, Schwarz, McManus, Johnson, Hoffman, North, Gougeon, Stille, Goschka, A. Smith, Koivisto, Young, Vaughn, DeBeaussaert and Emerson

Nays: None

The bill was referred to the Committee of the Whole.

COMMITTEE ATTENDANCE REPORT

The Committee on Appropriations submits the following:

Meeting held on Wednesday, May 17, 2000, at 2:00 p.m., Senate Appropriations Room, Capitol Building

Present: Senators Gast (C), Schwarz, McManus, Johnson, Hoffman, North, Gougeon, Stille, Goschka, A. Smith, Koivisto, Young, Vaughn, DeBeaussaert and Emerson

Excused: Senator Bennett

The Committee on Government Operations reported

Senate Bill No. 1283, entitled

A bill to amend 1966 PA 261, entitled "An act to provide for the apportionment of county boards of commissioners; to prescribe the size of the board; to provide for appeals; to prescribe the manner of election of the members of the county board of commissioners; to provide for compensation of members; to prescribe penalties and provide remedies; and to repeal acts and parts of acts," by amending section 11 (MCL 46.411), as amended by 1982 PA 504.

With the recommendation that the bill pass.

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

Thaddeus G. McCotter
Chairperson

To Report Out:

Yeas: Senators McCotter, Hammerstrom and Sikkema

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Government Operations reported

Senate Bill No. 1284, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," by amending sections 614, 617, and 1066 (MCL 380.614, 380.617, and 380.1066), section 614 as amended by 1992 PA 263, section 617 as amended by 1989 PA 268, and section 1066 as amended by 1995 PA 289.

With the recommendation that the bill pass.

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

Thaddeus G. McCotter
Chairperson

To Report Out:

Yeas: Senators McCotter, Hammerstrom and Sikkema

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Government Operations reported

Senate Bill No. 1287, entitled

A bill to amend 1877 PA 164, entitled "An act to authorize cities, incorporated villages, and townships to establish and maintain, or contract for the use of, free public libraries and reading rooms; and to prescribe penalties and provide remedies," by amending section 11 (MCL 397.211), as amended by 1988 PA 432.

With the recommendation that the bill pass.

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

Thaddeus G. McCotter
Chairperson

To Report Out:

Yeas: Senators McCotter, Hammerstrom and Sikkema

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Government Operations reported

House Bill No. 5139, entitled

A bill to amend 1954 PA 116, entitled "Michigan election law," by amending sections 14a, 24j, 666a, 669, 805, and 871 (MCL 168.14a, 168.24j, 168.666a, 168.669, 168.805, and 168.871), sections 14a and 805 as amended by 1995 PA 261 and section 871 as amended by 1996 PA 583.

With the recommendation that the bill pass.

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

Thaddeus G. McCotter
Chairperson

To Report Out:

Yeas: Senators McCotter, Hammerstrom and Sikkema

Nays: None

The bill was referred to the Committee of the Whole.

COMMITTEE ATTENDANCE REPORT

The Committee on Government Operations submits the following:

Meeting held on Thursday, May 18, 2000, at 1:00 p.m., Room 100, Farnum Building

Present: Senators McCotter (C), Hammerstrom and Sikkema

Excused: Senators V. Smith and Miller

The Committee on Local, Urban and State Affairs reported

House Bill No. 5538, entitled

A bill to amend 1966 PA 346, entitled "State housing development authority act of 1966," by amending sections 21, 22b, 22c, 32, 32a, 32b, 44, 44a, and 46 (MCL 125.1421, 125.1422b, 125.1422c, 125.1432, 125.1432a, 125.1432b, 125.1444, 125.1444a, and 125.1446), section 21 as amended by 1983 PA 49, sections 22b, 22c, 32, 32a, and 44a as amended by 1996 PA 475, sections 32b and 44 as amended by 1998 PA 33, and section 46 as amended by 1993 PA 220.

With the recommendation that the substitute (S-1) be adopted and that the bill then pass.

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

Thaddeus G. McCotter
Chairperson

To Report Out:

Yeas: Senators McCotter, Shugars and Miller

Nays: None

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

COMMITTEE ATTENDANCE REPORT

The Committee on Local, Urban and State Affairs submits the following:

Meeting held on Wednesday, May 17, 2000, at 3:00 p.m., Room 405, Capitol Building

Present: Senators McCotter (C), Shugars and Miller

Excused: Senators Van Regenmorter and Murphy

The Committee on Families, Mental Health and Human Services reported

Senate Bill No. 1244, entitled

A bill to amend 1970 PA 91, entitled "Child custody act of 1970," (MCL 722.21 to 722.30) by adding section 11.

With the recommendation that the substitute (S-1) be adopted and that the bill then pass.

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

Beverly S. Hammerstrom
Chairperson

To Report Out:

Yeas: Senators Hammerstrom, Jaye, Johnson and Hart

Nays: None

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

The Committee on Families, Mental Health and Human Services reported

House Bill No. 5484, entitled

A bill to amend 1998 PA 386, entitled "Estates and protected individuals code," by amending sections 1103, 2402, 2403, 2404, 2517, 3805, 3807, 3987, 3988, 7503, and 7508 (MCL 700.1103, 700.2402, 700.2403, 700.2404, 700.2517, 700.3805, 700.3807, 700.3987, 700.3988, 700.7503, and 700.7508), sections 1103 and 3807 as amended by 2000 PA 54.

With the recommendation that the bill pass.

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

Beverly S. Hammerstrom
Chairperson

To Report Out:

Yeas: Senators Hammerstrom, Jaye, Johnson and Hart

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Families, Mental Health and Human Services reported

House Bill No. 5507, entitled

A bill to amend 1939 PA 280, entitled "The social welfare act," by amending section 109 (MCL 400.109), as amended by 1997 PA 173.

With the recommendation that the bill pass.

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

Beverly S. Hammerstrom
Chairperson

To Report Out:

Yeas: Senators Hammerstrom, Jaye, Johnson and Hart

Nays: None

The bill was referred to the Committee of the Whole.

COMMITTEE ATTENDANCE REPORT

The Committee on Families, Mental Health and Human Services submits the following:

Meeting held on Wednesday, May 17, 2000, at 3:00 p.m., Room 424, Capitol Building

Present: Senators Hammerstrom (C), Jaye, Johnson and Hart

Excused: Senators Gougeon, Goschka and Vaughn

The Committee on Human Resources, Labor, Senior Citizens and Veterans Affairs reported

Senate Bill No. 805, entitled

A bill to amend 1937 PA 306, entitled "An act to promote the safety, welfare and educational interests of the people of the state of Michigan by regulating the construction, reconstruction and remodeling of certain public or private school buildings or additions thereto, by regulating the construction, reconstruction and remodeling of buildings leased or acquired for school purposes, and to define the class of buildings affected by this act; to prescribe the powers and duties of the superintendent of public instruction, the state fire marshal, architects, engineers and school board members with respect thereto; to prescribe penalties for the violation of this act; and to repeal all acts and parts of acts, general, local and special, inconsistent with or contrary to the provisions of this act," by amending section 1 (MCL 388.851) and by adding section 1b.

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

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

Mat Dunaskiss
Chairperson

To Report Out:

Yeas: Senators Dunaskiss, Steil, North and Dingell

Nays: None

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

The Committee on Human Resources, Labor, Senior Citizens and Veterans Affairs reported

House Bill No. 5638, entitled

A bill to designate December 7 of each year as Pearl Harbor day in the state of Michigan.

With the recommendation that the bill pass.

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

Mat Dunaskiss
Chairperson

To Report Out:

Yeas: Senators Dunaskiss, Steil, North and Dingell

Nays: None

The bill was referred to the Committee of the Whole.

COMMITTEE ATTENDANCE REPORT

The Committee on Human Resources, Labor, Senior Citizens and Veterans Affairs submits the following:

Meeting held on Thursday, May 18, 2000, at 1:00 p.m., Rooms 402 and 403, Capitol Building

Present: Senators Dunaskiss (C), Steil, North and Dingell

Excused: Senator Murphy

The Committee on Hunting, Fishing and Forestry reported

Senate Bill No. 628, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 40102 (MCL 324.40102), as amended by 1998 PA 86, and by adding section 40115a.

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

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

Dave Jaye
Chairperson

To Report Out:

Yeas: Senators Jaye, Bullard and Dingell

Nays: None

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

The Committee on Hunting, Fishing and Forestry reported

Senate Bill No. 1220, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 40114 (MCL 324.40114), as added by 1995 PA 57.

With the recommendation that the substitute (S-1) be adopted and that the bill then pass.

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

Dave Jaye
Chairperson

To Report Out:

Yeas: Senators Jaye, Bullard and Dingell

Nays: None

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

COMMITTEE ATTENDANCE REPORT

The Committee on Hunting, Fishing and Forestry submits the following:

Meeting held on Thursday, May 18, 2000, at 3:20 p.m., Elijah Myers Room, Capitol Building

Present: Senators Jaye (C), Bullard, Hoffman, Byrum and Dingell

The Committee on Farming, Agribusiness and Food Systems reported

Senate Bill No. 1273, entitled

A bill to define organic agriculture and products; to provide for the establishment of standards relative to organic products, producers and handlers of organic products, and other persons; to provide for designation of certain entities as certifying agents; to provide for registration of certain organic products; to provide for certain powers and duties of certain state agencies; and to provide for penalties and remedies.

With the recommendation that the substitute (S-1) be adopted and that the bill then pass.

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

George A. McManus, Jr.
Chairperson

To Report Out:

Yeas: Senators McManus, Stille and Gougeon

Nays: None

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

The Committee on Farming, Agribusiness and Food Systems reported

Senate Bill No. 1280, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 36103 and 36111 (MCL 324.36103 and 324.36111), section 36103 as amended by 1996 PA 233 and section 36111 as amended by 1996 PA 567.

With the recommendation that the bill pass.

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

George A. McManus, Jr.
Chairperson

To Report Out:

Yeas: Senators McManus, Stille and Gougeon

Nays: None

The bill was referred to the Committee of the Whole.

COMMITTEE ATTENDANCE REPORT

The Committee on Farming, Agribusiness and Food Systems submits the following:
Meeting held on Thursday, May 18, 2000, at 1:00 p.m., Room 810, Farnum Building
Present: Senators McManus (C), Stille, Gougeon and Byrum
Excused: Senator Hart

The Committee on Local, Urban and State Affairs reported

Senate Bill No. 806, entitled

A bill to authorize a county, city, village, or township law enforcement agency to enter into mutual aid agreements with law enforcement agencies of a physically adjacent state; to prescribe the minimum terms of the mutual aid agreements; and to provide immunity from civil and criminal actions to certain persons.

With the recommendation that the substitute (S-1) be adopted and that the bill then pass.

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

Thaddeus G. McCotter
Chairperson

To Report Out:

Yeas: Senators McCotter, Shugars and Miller

Nays: None

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

The Committee on Local, Urban and State Affairs reported

Senate Bill No. 1184, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," (MCL 760.1 to 777.69) by adding section 2b to chapter IV.

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

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

Thaddeus G. McCotter
Chairperson

To Report Out:

Yeas: Senators McCotter, Shugars and Miller

Nays: None

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

COMMITTEE ATTENDANCE REPORT

The Committee on Local, Urban and State Affairs submits the following:
Meeting held on Thursday, May 18, 2000, at 9:30 a.m., Room 405, Farnum Building
Present: Senators McCotter (C), Shugars and Miller
Excused: Senators Van Regenmorter and Murphy

COMMITTEE ATTENDANCE REPORT

The Committee on Families, Mental Health and Human Services submits the following:
Meeting held on Friday, May 12, 2000, at 9:00 a.m., Fetzer Center, Kalamazoo
Present: Senators Hammerstrom (C) and Johnson
Excused: Senators Gougeon, Jaye, Goschka, Hart and Vaughn

COMMITTEE ATTENDANCE REPORT

The Committee on Families, Mental Health and Human Services submits the following:
 Meeting held on Friday, May 12, 2000, at 1:30 p.m., Eberhard Center, Grand Rapids
 Present: Senators Hammerstrom (C) and Johnson
 Excused: Senators Gougeon, Jaye, Goschka, Hart and Vaughn

COMMITTEE ATTENDANCE REPORT

The Senate Fiscal Agency Governing Board submits the following:
 Meeting held on Tuesday, May 16, 2000, at 4:00 p.m., Room 324, Capitol Building
 Present: Senators Gast (C), Schwarz, DeGrow and A. Smith
 Excused: Senator Cherry

COMMITTEE ATTENDANCE REPORT

The Committee on Technology and Energy submits the following:
 Meeting held on Wednesday, May 17, 2000, at 1:00 p.m., Rooms 402 and 403, Capitol Building
 Present: Senators Dunaskiss (C), Sikkema, Schuette, Rogers, Byrum, Leland and Dingell

COMMITTEE ATTENDANCE REPORT

The Committee on Families, Mental Health and Human Services submits the following:
 Meeting held on Friday, May 19, 2000, at 9:00 a.m., Morris J. Lawrence Building, Washtenaw Community College,
 Ann Arbor
 Present: Senators Hammerstrom (C) and Johnson
 Excused: Senators Gougeon, Jaye, Goschka, Hart and Vaughn

Scheduled Meetings

Administrative Rules, Joint - Thursday, May 25, 8:30 a.m., Rooms 425 and 426, Capitol Building (373-6476)

Appropriations - Wednesday, May 24, 2:00 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-6960)

Subcommittees -

Capital Outlay - Thursday, May 25, 8:45 a.m., House Appropriations Room, 3rd Floor, Capitol Building (373-6960)

Transportation - Wednesday, May 24, 8:30 a.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-2426) (CANCELED)

Conference Committee -

HB 5058 - Wednesday, May 24, 11:00 a.m., Room 428, Capitol Building (373-1707)

Education - Wednesday, May 24, 3:00 p.m., Room 110, Farnum Building (373-7350)

Families, Mental Health and Human Services - Wednesday, May 24, 2:00 p.m., Senate Hearing Room, Ground Floor, Michigan National Tower (373-3543)

Farming, Agribusiness and Food Systems - Recessed until Wednesday, May 24, 9:30 a.m., Room 405, Capitol Building (373-1725)

Government Operations - Thursday, May 25, 1:00 p.m., Room 405, Capitol Building (373-1707)

Judiciary - Wednesday, May 24, 1:00 p.m., Rooms 402 and 403, Capitol Building (373-6920)

Local, Urban and State Affairs - Wednesday, May 24, 3:00 p.m., Room 405, Capitol Building (373-1707)

Technology and Energy - Wednesday, May 24, 3:00 p.m., Rooms 402 and 403, Capitol Building (373-2417)

Senator Rogers moved that the Senate adjourn.
The motion prevailed, the time being 5:07 p.m.

The President pro tempore, Senator Schwarz, declared the Senate adjourned until Wednesday, May 24, at 10:00 a.m.

CAROL MOREY VIVENTI
Secretary of the Senate.

