

**No. 80**  
**STATE OF MICHIGAN**  
**Journal of the Senate**  
**93rd Legislature**  
**REGULAR SESSION OF 2005**

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Senate Chamber, Lansing, Thursday, September 15, 2005.

10:00 a.m.

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

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

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

Emerson—present  
Garcia—present  
George—present  
Gilbert—present  
Goschka—present  
Hammerstrom—present  
Hardiman—present  
Jacobs —present  
Jelinek—present  
Johnson—present  
Kuipers—present  
Leland—present  
McManus—present

Olshove—present  
Patterson—present  
Prusi—present  
Sanborn—present  
Schauer—present  
Scott—present  
Sikkema—present  
Stamas—present  
Switalski—present  
Thomas—excused  
Toy—present  
Van Woerkom—present

Senator Michael A. Prusi of the 38th District offered the following invocation:

Lord God, Creator of heaven and earth, people everywhere on this beautiful planet petition You in many tongues and through many faiths. In magnificent cathedrals, humble churches, synagogues, and mosques, we pray for Your wisdom, Your compassion, and Your blessing.

If we could only always follow Your sacred teachings and live Your holy truth, we could avoid the wars and the oppression that afflict us. We could feed the hungry and heal the sick. We could truly live in the paradise that You have promised. You have provided the way; it is up to us to follow.

Here in this secular chamber, we come before You as diverse and different as the people who elected us to do their work. As we begin another day, keep us ever mindful of those differences and that diversity, for it is one of our greatest strengths.

We ask that You guide us so that we can work together to ensure that this glorious part of Your creation, the great state of Michigan, becomes an even better place for all of Your people to live. Amen.

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

### Motions and Communications

Senator Emerson entered the Senate Chamber.

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

**Senate Bill No. 246**

**Senate Bill No. 318**

The motion prevailed.

Senator Hammerstrom moved that Senators Garcia, Bishop, Cropsey, Jelinek and Johnson be temporarily excused from today's session.

The motion prevailed.

Senators Jelinek and Bishop entered the Senate Chamber.

Senator Schauer moved that Senator Leland be temporarily excused from today's session.

The motion prevailed.

Senator Schauer moved that Senator Thomas be excused from today's session.

The motion prevailed.

Senators Leland, Cropsey, Johnson, Switalski and George entered the Senate Chamber.

The following communication was received and read:

Office of the Senate Majority Leader

September 14, 2005

Pursuant to Joint Rule 3(a), I have made the following conferee appointments to the Conference Committee on HB 4834: Senator Alan Sanborn, Senator Ron Jelinek and Senator Gilda Jacobs

Respectfully yours,  
Ken Sikkema  
Senate Majority Leader

The communication was referred to the Secretary for record.

The following communications were received:

Department of Human Services

September 9, 2005

Pursuant to Section 1002 of P.A. 344 of 2004, we are enclosing a copy of the following reports:

<u>Type of Report</u>	<u>Facility</u>	<u>Report #</u>	<u>License #</u>
Special Investigation	Adrian Training Center	2005C0212024	CS460200931
		2005C0212011	

This report was performed in compliance with the requirements of P.A. 116 of 1973 as amended, and the Administrative Rules for Child Caring Institutions. The report may also be viewed on our website, within 48 hours, under "News, Publications & Information" at the following address: <http://www.michigan.gov/fia/>.

If you have any questions regarding this information, please feel free to contact Miriam E.J. Bullock at 517-373-8383.

September 9, 2005

Pursuant to Section 1002 of P.A. 344 of 2004, we are enclosing a copy of the following report:

<u>Type of Report</u>	<u>Facility</u>	<u>License #</u>
Approval Study Report	Sequoyah Center	CS470201401

This report was performed in compliance with the requirements of P.A. 116 of 1973 as amended, and the Administrative Rules for Child Caring Institutions. The report may also be viewed on our website, within 48 hours, under "News, Publications & Information" at the following address: <http://www.michigan.gov/fia/>.

If you have any questions regarding this information, please feel free to contact Miriam E.J. Bullock at 517-373-8383.

Sincerely,  
Marianne Udow

The communications were referred to the Secretary for record.

The Secretary announced that the following House bills were received in the Senate and filed on Wednesday, September 14:

**House Bill Nos. 5030 5039**

The Secretary announced the enrollment printing and presentation to the Governor on Wednesday, September 14, for her approval the following bills:

**Enrolled Senate Bill No. 617 at 11:10 a.m.**  
**Enrolled Senate Bill No. 620 at 11:12 a.m.**  
**Enrolled Senate Bill No. 373 at 11:14 a.m.**

The Secretary announced that the following official bills and joint resolution were printed on Wednesday, September 14, and are available at the legislative website:

<b>Senate Bill Nos.</b>	<b>750</b>	<b>751</b>	<b>752</b>	<b>753</b>	<b>754</b>	<b>755</b>													
<b>House Bill Nos.</b>	<b>5154</b>	<b>5155</b>	<b>5156</b>	<b>5157</b>	<b>5158</b>	<b>5159</b>	<b>5160</b>	<b>5161</b>	<b>5162</b>	<b>5163</b>	<b>5164</b>	<b>5165</b>	<b>5166</b>	<b>5167</b>					
	<b>5168</b>	<b>5169</b>	<b>5170</b>	<b>5171</b>	<b>5172</b>	<b>5173</b>	<b>5174</b>	<b>5175</b>	<b>5176</b>	<b>5177</b>	<b>5178</b>								
<b>House Joint Resolution</b>																			<b>P</b>

**Messages from the Governor**

The following messages from the Governor were received:

Date: September 14, 2005  
Time: 9:35 a.m.

To the President of the Senate:

Sir—I have this day approved and signed  
**Enrolled Senate Bill No. 170 (Public Act No. 106), being**

An act to amend 1927 PA 175, entitled "An act to revise, consolidate, and codify the laws relating to criminal procedure and to define the jurisdiction, powers, and duties of courts, judges, and other officers of the court under the provisions of this act; to provide laws relative to the rights of persons accused of criminal offenses and ordinance violations; to provide for the arrest of persons charged with or suspected of criminal offenses and ordinance violations; to provide for bail of persons arrested for or accused of criminal offenses and ordinance violations; to provide for the examination of persons accused of criminal offenses; to regulate the procedure relative to grand juries, indictments, informations, and proceedings before trial; to provide for trials of persons complained of or indicted for criminal offenses and ordinance violations and to provide for the procedure in those trials; to provide for judgments and sentences of persons convicted of criminal offenses and ordinance violations; to establish a sentencing commission and to prescribe its powers and duties; to provide for procedure relating to new trials and appeals in criminal and ordinance violation cases; to provide a uniform system of probation throughout this state and the appointment of probation officers; to prescribe the powers, duties, and compensation of probation officers; to provide penalties for the violation of the duties of probation officers; to provide for procedure governing proceedings to prevent crime and proceedings for the discovery of crime; to provide for fees of officers, witnesses, and others in criminal and ordinance violation cases; to set forth miscellaneous provisions as to criminal procedure in certain cases; to provide penalties for the violation of certain provisions of this act; and to repeal all acts and parts of acts inconsistent with or contravening any of the provisions of this act," by amending section 1a of chapter IV, section 16a of chapter IX, section 22 of chapter XVI, and sections 15g, 16m, and 16s of chapter XVII (MCL 764.1a, 769.16a, 776.22, 777.15g, 777.16m, and 777.16s), section 1a of chapter IV as amended by 1994 PA 70, section 16a of chapter IX as amended by 2004 PA 220, section 22

of chapter XVI as amended by 2001 PA 194, section 15g of chapter XVII as added by 2002 PA 206, section 16m of chapter XVII as amended by 2001 PA 166, and section 16s of chapter XVII as amended by 2004 PA 519.

(Filed with the Secretary of State on September 14, 2005, at 2:42 p.m.)

Date: September 14, 2005

Time: 11:55 a.m.

To the President of the Senate:

Sir—I have this day approved and signed

**Enrolled Senate Bill No. 463 (Public Act No. 107), being**

An act to amend 1978 PA 33, entitled “An act to prohibit the dissemination, exhibiting, or displaying of certain sexually explicit matter to minors; to prohibit certain misrepresentations facilitating the dissemination of sexually explicit matter to minors; to provide penalties; to provide for declaratory judgments and injunctive relief in certain instances; to impose certain duties upon prosecuting attorneys and the circuit court; to preempt local units of government from proscribing certain conduct; and to repeal certain acts and parts of acts,” by amending section 3 (MCL 722.673), as amended by 2003 PA 192.

(Filed with the Secretary of State on September 14, 2005, at 2:44 p.m.)

Date: September 14, 2005

Time: 11:58 a.m.

To the President of the Senate:

Sir—I have this day approved and signed

**Enrolled Senate Bill No. 416 (Public Act No. 108), being**

An act to amend 1978 PA 33, entitled “An act to prohibit the dissemination, exhibiting, or displaying of certain sexually explicit matter to minors; to prohibit certain misrepresentations facilitating the dissemination of sexually explicit matter to minors; to provide penalties; to provide for declaratory judgments and injunctive relief in certain instances; to impose certain duties upon prosecuting attorneys and the circuit court; to preempt local units of government from proscribing certain conduct; and to repeal certain acts and parts of acts,” by amending the title and sections 1, 2, and 4 (MCL 722.671, 722.672, and 722.674), section 1 as amended by 2003 PA 192, and by adding sections 12a and 12b, part II, and a heading for part I; and to repeal acts and parts of acts.

(Filed with the Secretary of State on September 14, 2005, at 2:46 p.m.)

Respectfully,  
Jennifer M. Granholm  
Governor

### Messages from the House

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

**Senate Bill No. 356**

**Senate Bill No. 419**

**Senate Bill No. 130**

The motion prevailed.

**Senate Bill No. 503, entitled**

A bill to amend 1967 PA 281, entitled “Income tax act of 1967,” by amending section 440 (MCL 206.440), as amended by 1996 PA 484.

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.

**Third Reading of Bills**

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

**Senate Bill No. 502, entitled**

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 16204 (MCL 333.16204), as added by 1994 PA 234.

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. 409****Yeas—34**

Allen	Clark-Coleman	Jelinek	Sanborn
Barcia	Clarke	Johnson	Schauer
Basham	Cropsey	Kuipers	Scott
Bernero	Emerson	Leland	Sikkema
Birkholz	Gilbert	McManus	Stamas
Bishop	Goschka	Olshove	Switalski
Brater	Hammerstrom	Patterson	Toy
Brown	Hardiman	Prusi	Van Woerkom
Cherry	Jacobs		

**Nays—2**

Cassis	George
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**Excused—2**

Garcia	Thomas
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**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

**Protest**

Senator George, under his constitutional right of protest (Art. 4, Sec. 18), protested against the passage of Senate Bill No. 502 and moved that the statement he made during the discussion of the bill be printed as his reasons for voting "no."

The motion prevailed.

Senator George's statement is as follows:

I'm going to vote "no" on this bill, and I would like to explain why. I would note that it is part of a package of two bills dealing with dental hygiene. The second bill I will be supporting, but this bill I find problematic, and I really have two concerns.

First, I just want to explain what it does. It would allow the dental board to establish an hour of pain management continuing education as a requirement for dental hygienists as part of their ongoing continuing education. They are currently required to obtain 20 hours a year for their licensure.

There are two problems with this. One is that it is an example of the Legislature micromanaging to a profession as to how it should spend its continuing education time, and I object to that. I'll explain why. Again, my one objection is that this is an example of the Legislature dictating to a profession the content of its continuing education courses, as if we know better than the professionals themselves who are participating in continuing education.

The second objection is that I don't see it as being a benefit to the public health. I think that one could make an argument that it actually provides a false sense of security to the public.

I want to explain each of these in a little more detail. If you look at dental hygiene and what the profession is and does, you ask yourself what would be the issues? What are the public health policy issues facing dental hygiene? You might say that it is disparity in care and access to care. There might be issues in infection control because of various infectious diseases that we have. There are changes in the way dental hygiene is practiced, more attention to technique and sterility and such. You might cite a need for dental hygiene among the pediatric population or among geriatric populations. There might be racial disparities in the way care is given. You might cite all of those as being legitimate issues in the realm of the profession of dental hygiene. So I would ask, why would we pick this one, an hour of pain management, as the issue that this is the one that the Legislature says is important, and of your 20 hours, you need to do an hour in pain management? Why don't we say you should do an hour of pediatric hygiene? Why not an hour in infectious disease control? Why not an hour in medical ethics or dental ethics or how Medicaid works? Why not an hour in geriatric care of dental patients? Why would we pick this one? If we are so smart, why don't we dictate their whole curriculum to them? If you are a health professional and you have a continuing education requirement, don't you think that that individual knows best what their deficiencies are in their education?

Why would we dictate to physicians that you all have to have five hours of continuing education in pediatrics? That wouldn't apply maybe to a pathologist or to physicians in another specialty. The same argument can be made here. Why would we tell all dental hygienists that they need an hour in pain management? Many of them work in offices where they do not, as part of their duties, provide pain management services. It's not part, necessarily, of routine dental hygiene practice. It may be, but if so, then let's let the individual choose for themselves what their course of continuing education should be. This is a mistake for us—the Legislature in Lansing—to dictate. Are we going to dictate to lawyers that you all have to do five hours of continuing education in legal ethics? Why don't we pick your whole curriculum for you? Or to accountants or to undertakers or to florists? Why don't we tell them all what their ongoing continuing education should be, if we are so smart? I think we make a mistake in following this path. So that's one objection.

My second objection is that I believe that it does provide and this bill would engender a false sense of security. There is a risk to having oral surgery or dental procedures done in dental offices. There is a risk, especially if it involves certain pain management techniques; the provision of certain anesthetics, there is a risk. I've handed out to you, you have on your desk, a reprint of an article from the *The State News*, a story about an MSU student who expired following complications from oral surgery in a dental office. There is a risk. Here's a case that was in the public press. It says, "Student dies after surgery," but this was oral surgery in a dental office, and if you read the article, you will see that apparently the student was sedated or under anesthesia and choked. He had trouble breathing and couldn't be resuscitated and died. There is a risk to having anesthesia and the application of anesthetics.

One hour of continuing education does not teach one how to rescue someone who has suffered a complication. It may teach you how to administer. I could teach you in a few minutes how to do an injection with a syringe and a needle. I can teach anybody. I could teach my 11-year-old how to do it. I could put him in a car and show him how to turn the ignition and press the accelerator. That's not learning how to drive. It's the same way here with anesthesia. You don't learn it in an hour. You can learn how to make the injection, but the public health hazard is what happens when the person chokes or stops breathing. What happens if you numb up their throat and some gauze slips into their throat? What happens if their breathing slows? What happens if they have a cardiac irregularity? What if the injection you put in happens to go into a blood vessel and the medicine goes to their heart and makes their heart race? What if they are an elderly person with cardiac disease and they develop an arrhythmia?

The difficulty isn't administering the medicine; it's recognizing the complications and treating it. You can't learn that in an hour a year CME course. So what we are proposing here, colleagues, is silly. I have a second handout. It's actually an advertisement for a book called *Medical Emergencies in the Dental Office*, 5th edition. You can buy it; it's \$64.00 and it's 480 pages long. This is the textbook on how to treat medical emergencies in the dental office—480 pages long. You can't learn that in an hour. You might be able to get through the first few pages. The idea of rescuing or treating someone who is suffering complications is much more. It's a whole field in and of itself. We are doing a disservice to the public in thinking that by requiring dental hygienists to do an hour in pain management that somehow we are protecting public health and making dental offices safer.

I would conclude by saying that if we really want to make dental offices safer, there is evidence showing that what is needed is probably regulations providing for certain equipment standards: lighting, oxygen, suction equipment. Most offices probably have those, but do dental offices have a cardiac defibrillator? An automated external defibrillator? We have no such requirement in Michigan. If you really want to make dental offices safer and oral surgeries safer, what we ought to be doing is looking at the way it is applied and making sure that offices are properly equipped to rescue

people who suffer complications from the provision of anesthetics, not simply training more people to administer the anesthetics.

So I would ask you, colleagues, to join me in voting “no” to defeat this proposal.

The following bill was read a third time:

**House Bill No. 4996, entitled**

A bill to amend 1978 PA 368, entitled “Public health code,” by amending section 16625 (MCL 333.16625), as amended by 1991 PA 58.

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. 410**

**Yeas—36**

Allen	Cherry	Hardiman	Prusi
Barcia	Clark-Coleman	Jacobs	Sanborn
Basham	Clarke	Jelinek	Schauer
Bernero	Cropsey	Johnson	Scott
Birkholz	Emerson	Kuipers	Sikkema
Bishop	George	Leland	Stamas
Brater	Gilbert	McManus	Switalski
Brown	Goschka	Olshove	Toy
Cassis	Hammerstrom	Patterson	Van Woerkom

**Nays—0**

**Excused—2**

Garcia	Thomas
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**Not Voting—0**

In The Chair: President

Senator Garcia entered the Senate Chamber.

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 protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to

provide for the levy of taxes against certain health facilities or agencies; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to provide for an appropriation and supplements; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates.”.

The Senate agreed to the full title.

The following bill was read a third time:

**House Bill No. 4484, entitled**

A bill to amend 1987 PA 96, entitled “The mobile home commission act,” by amending section 30i (MCL 125.2330i), as added by 2003 PA 44.

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. 411**

**Yeas—37**

Allen	Clark-Coleman	Hardiman	Prusi
Barcia	Clarke	Jacobs	Sanborn
Basham	Cropsey	Jelinek	Schauer
Bernero	Emerson	Johnson	Scott
Birkholz	Garcia	Kuipers	Sikkema
Bishop	George	Leland	Stamas
Brater	Gilbert	McManus	Switalski
Brown	Goschka	Olshove	Toy
Cassis	Hammerstrom	Patterson	Van Woerkom
Cherry			

**Nays—0**

**Excused—1**

Thomas

**Not Voting—0**

In The Chair: President

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

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

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

“An act to create a mobile home commission; to prescribe its powers and duties and those of local governments; to provide for a mobile home code and the licensure, regulation, construction, operation, and management of mobile home parks, the licensure and regulation of retail sales dealers, warranties of mobile homes, and service practices of dealers; to provide for the titling of mobile homes; to prescribe the powers and duties of certain agencies and departments; to provide remedies and penalties; to declare the act to be remedial; to repeal this act on a specific date; and to repeal certain acts and parts of acts.”.

The Senate agreed to the full title.



The following bill was read a third time:

**House Bill No. 4306, entitled**

A bill to amend 1979 PA 94, entitled “The state school aid act of 1979,” by amending sections 6 and 17b (MCL 388.1606 and 388.1617b), section 6 as amended by 2004 PA 351 and section 17b as amended by 2000 PA 297.

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. 412**

**Yeas—36**

Allen	Cherry	Hardiman	Prusi
Barcia	Clark-Coleman	Jacobs	Sanborn
Basham	Clarke	Jelinek	Schauer
Bernero	Cropsey	Johnson	Scott
Birkholz	Garcia	Kuipers	Sikkema
Bishop	George	Leland	Stamas
Brater	Gilbert	McManus	Switalski
Brown	Goschka	Olshove	Toy
Cassis	Hammerstrom	Patterson	Van Woerkom

**Nays—0**

**Excused—1**

Thomas

**Not Voting—1**

Emerson

In The Chair: President

Senator Hammerstrom moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

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

“An act to make appropriations to aid in the support of the public schools and the intermediate school districts of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to supplement the school aid fund by the levy and collection of certain taxes; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts.”

The Senate agreed to the full title.

**Recess**

Senator Hammerstrom moved that the Senate recess until 11:00 a.m.

The motion prevailed, the time being 10:29 a.m.

The Senate reconvened at the expiration of the recess and was called to order by the President, Lieutenant Governor Cherry.

By unanimous consent the Senate proceeded to the order of  
**General Orders**

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

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

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

**Senate Bill No. 248, entitled**

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending sections 217d, 801, 811d, 811e, 811f, 811g, 811h, 811i, 811j, 811k, 811l, and 811n (MCL 257.217d, 257.801, 257.811d, 257.811e, 257.811f, 257.811g, 257.811h, 257.811i, 257.811j, 257.811k, 257.811l, and 257.811n), sections 217d and 811h as amended by 2003 PA 152, section 801 as amended by 2004 PA 427, sections 811d, 811f, and 811g as added by 2000 PA 77, section 811e as amended by 2001 PA 124, section 811i as added by 2000 PA 74, section 811j as added by 2000 PA 71, section 811k as added by 2000 PA 73, section 811l as added by 2000 PA 70, and section 811n as added by 2000 PA 79, and by adding sections 811m, 811o, and 811p; and to repeal acts and parts of acts.

**House Bill No. 4963, entitled**

A bill to amend 2000 PA 77, entitled "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 sections 625, 803l, 804, and 904 (MCL 257.625, 257.803l, 257.804, and 257.904), sections 625 and 904 as amended by 1999 PA 73, 803l as amended by 1998 PA 68, and section 804 as amended by 1995 PA 129, and by adding sections 6d, 17b, 30b, 811d, 811e, 811f, 811g, and 811h; and to repeal acts and parts of acts," by repealing enacting section 1.

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:

**Senate Bill No. 423, entitled**

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 16p of chapter XVII (MCL 777.16p), as amended by 2000 PA 279.

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. 4673, entitled**

A bill to amend 1931 PA 328, entitled "The Michigan penal code," (MCL 750.1 to 750.568) by adding section 317a.

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 1931 PA 328, entitled "The Michigan penal code," (MCL 750.1 to 750.568) by adding section 217f.

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 amendment, the following bill:

**House Bill No. 4866, entitled**

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 16*l* of chapter XVII (MCL 777.16*l*), as amended by 2003 PA 16.

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

1. Amend page 2, line 6, after "**SERVICE**" by striking out "**PROVIDER**" and inserting "**PERSONNEL**".

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

### Resolutions

Senator Scott offered the following resolution:

**Senate Resolution No. 63.**

A resolution memorializing and honoring the life of Teddy Harris Jr.

Whereas, It is with deep sadness that we learned of the passing of Mr. Teddy Harris Jr., a talented and gracious musician who enriched many lives with his music and mentorship. With genuine respect for his legacy of accomplishment, we join with the community in extending our condolences to his family and many friends. He will be sincerely missed and long remembered; and

Whereas, A gifted instrumentalist, composer, arranger, bandleader, conductor, and educator, Mr. Harris was a master of both the piano and saxophone. During the 1950s in Detroit, he worked as a staff arranger and instrumentalist for Motown while also becoming well-known as a jazz musician throughout the city; and

Whereas, In 1983, he founded the New Breed Bebop Society Orchestra, which he used to mentor young musicians. At least two of his students, pianist Geri Allen and saxophonist James Carter, went on to become international stars; and

Whereas, Mr. Harris was born in Detroit on August 27, 1934. His father, jazz organist Theodore Harris Sr., introduced him to music. He went on to study with Detroit bebop musician Barry Harris before attending the New England Conservatory. In 1956, he was drafted, and after he had completed his service, he studied with Nadia Boulanger in Paris; and

Whereas, Mr. Harris worked with such Motown greats as Marvin Gaye, Martha Reeves, The Temptations, Smokey Robinson, Paul Butterfield, and Aretha Franklin. He was the musical director for The Supremes for 16 years; and

Whereas, During his years at Motown, Mr. Harris continued to work as a jazz musician on his own, working as the house pianist and bandleader at Dummy George's. He played with musicians such as Lou Donaldson, Art Farmer, Joe Williams, Eddie Jefferson, and Yusef Lateef; and

Whereas, The life of Teddy Harris Jr. is a study in the power of hard work, dedication, and commitment to his career, his family, and his state. We can be truly grateful for his achievements, which will continue to enrich many into the future; now, therefore, be it

Resolved by the Senate, That we hereby memorialize and honor the exemplary life of Teddy Harris Jr. May his family and friends continue to find comfort in their faith and their memories of this fine man and his distinguished career; and be it further

Resolved, That a copy of this resolution be transmitted to the family of Teddy Harris Jr. as evidence of our esteem, respect, and gratitude for all of his outstanding contributions to our state and nation.

Pending the order that, under rule 3.204, the resolution be referred to the Committee on Government Operations, Senator Hammerstrom moved that the rule be suspended.

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

The question being on the adoption of the resolution,

Senator Hammerstrom moved that the resolution be referred to the Committee on Local, Urban and State Affairs.

The motion prevailed.

Senators Brater, Clark-Coleman, Jacobs, Schauer and Clarke were named co-sponsors of the resolution.

### Introduction and Referral of Bills

Senator Goschka introduced

**Senate Joint Resolution G, entitled**

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 15 of article I, to allow the denial of bail for an individual charged with a felony involving the sexual assault of an individual less than 16 years of age.

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

Senator Johnson introduced

**Senate Bill No. 757, entitled**

A bill to amend 1939 PA 280, entitled “The social welfare act,” by amending section 14i (MCL 400.14i), as amended by 2004 PA 571.

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

Senators Goschka and Garcia introduced

**Senate Bill No. 758, entitled**

A bill to amend 1994 PA 295, entitled “Sex offenders registration act,” by amending sections 5, 5a, and 5b (MCL 28.725, 28.725a, and 28.725b), sections 5 and 5a as amended by 2004 PA 240 and section 5b as added by 2004 PA 237.

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

**House Bill No. 5030, entitled**

A bill to amend 1972 PA 348, entitled “An act to regulate relationships between landlords and tenants relative to rental agreements for rental units; to regulate the payment, repayment, use and investment of security deposits; to provide for commencement and termination inventories of rental units; to provide for termination arrangements relative to rental units; to provide for legal remedies; and to provide penalties,” by amending section 11 (MCL 554.611).

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 Local, Urban and State Affairs.

**House Bill No. 5039, entitled**

A bill to amend 1953 PA 181, entitled “An act relative to investigations in certain instances of the causes of death within this state due to violence, negligence or other act or omission of a criminal nature or to protect public health; to provide for the taking of statements from injured persons under certain circumstances; to abolish the office of coroner and to create the office of county medical examiner in certain counties; to prescribe the powers and duties of county medical examiners; to prescribe penalties for violations of the provisions of this act; and to prescribe a referendum thereon,” by amending section 1 (MCL 52.201), as amended by 2002 PA 22.

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 Local, Urban and State Affairs.

### Statements

Senator Garcia stated that had he been present earlier today when the votes were taken on the passage of the following bills, he would have voted “yea”:

**Senate Bill No. 502**

**House Bill No. 4996**

Senators Allen, Scott and Van Woerkom asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Allen’s statement is as follows:

Today I would like to bring to your attention a situation that has been developing in my district regarding the oversight of the Mackinac Bridge. As you know, the Mackinac Bridge serves as a vital link between our two peninsulas. It establishes an economic link, which fuels the industries of the Upper Peninsula—tourism, forestry, manufacturing, and others. Equally important is the symbolic link which bridges the geographic distances between our two peninsulas. The Mackinac Bridge is truly a jewel of our transportation system and one of the main symbols of our state.

For nearly a half century, the various appointed members of the Mackinac Bridge Authority and authority staff have worked tirelessly to ensure the Mackinac Bridge’s vitality. Over the past 50-plus years, nearly a half century, the Mackinac Bridge Authority has worked in collaboration with the Department of Transportation and its predecessors to maintain and promote one of Michigan’s great treasures. The fact that the Mackinac Bridge remains in excellent structural and operational condition is a testament to the hard work of all of the authority members—past and present—and the dedication to the employees who support and maintain this critical asset to the state of Michigan.

However, I am extremely concerned about the recent decisions made by the director of the Department of Transportation with respect to the oversight and management of the Mackinac Bridge. I am concerned that MDOT has

removed the authority's ability to make decisions about providing insurance, planning, and maintenance for the bridge. And equally distressing was MDOT's decision to make a \$25 million bridge authority removal for the maintenance of those dollars that had been maintained for several generations and to transfer that money to the state treasury.

Upon learning of the decisions made by the director, I, along with members of the House of Representatives, sent the Governor a letter dated August 31, 2005, requesting her assistance to resolve what in my mind was a clear power grab by a member of her administration. While I appreciate the comments made in the media that the Governor is not interested in a Lansing takeover of the bridge, no actual action was taken by the Governor to rectify this concern.

On September 1, 2005, I convened a town hall meeting in St. Ignace in an effort to give the director the opportunity to explain her actions to the Straits area residents—my constituents. I was pleased to hear the director state in her opening comments that she, along with the Governor, were not interested in taking over the powers of the Mackinac Bridge Authority. However, this pleasure was short-lived. The director gave a lengthy presentation to the standing-room crowd which specifically outlined why MDOT was taking the bridge's functions over, with the exception of setting tolls and managing social activities. This transgression against this great institution such as this bridge cannot remain unchecked.

Following the town hall meeting two weeks ago, I drafted another letter to the Governor asking her to clarify the conflicting statements coming from her administration and again asking for her assistance in resolving this problem in my district. To date, I have not received a response to this letter, and no specific action to my knowledge has been made by the Governor. More recently, I've read a media account which briefly described an agreement that the Governor may be willing to restore the powers of the Mackinac Bridge Authority. Again, talk of an agreement, but as of yet no tangible action.

The words of the MDOT director and the Governor have been specific: There is no interest in a Lansing takeover of the bridge's functions. However, the actions of MDOT have clearly shown otherwise, and actions speak louder than words.

When asked about her knowledge of MDOT's actions in this matter in an article printed over the weekend, the Governor was quoted as saying, "I found about this last week." I fully believe the Governor had no knowledge of what the head of the Michigan Department of Transportation was doing. However, as chief executive of the state of Michigan, she is ultimately responsible for the actions of her cabinet members.

I am very pleased that she appears to be willing to resolve this problem and speaks of restoring the bridge authority to its traditional role. I hope that she keeps her word and rescinds this Lansing power grab. Should the Governor act to remedy this situation, I look forward to being provided a copy of the agreement, and I hope that it will clearly outline the reinstatement of the Mackinac Bridge Authority's powers.

While I am hopeful that the Governor will take steps to resolve this issue in the short term, recent actions clearly show a need for a statutory clarification of the roles and responsibilities of the Mackinac Bridge Authority. I intend that the necessary actions to protect the long-term viability of the bridge will be maintained and that the Mackinac Bridge Authority should be existing in the format that it has over half a century. My door is always open.

Senator Scott's statement is as follows:

Today I have a couple from my website regarding redlining insurance. The first one, "It's about time that something is being done about the way Detroit is constantly being discriminated against. It's unfair and racist. As being a resident of this city, we have to tolerate whatever is thrown in our path, which includes the utility bills and the extremely high keep on pushing (meaning insurance)."

The next one, "I have three cars with full coverage insurance. The thing I find hard to believe is that I'm paying more for a 1998 Chrysler Sebring than I do for a 2005 Monte Carlo. The value of the Sebring is nowhere near the value of the Monte Carlo. I thank you for your efforts in redlining."

I would certainly love to thank my colleagues for taking up these bills soon.

Senator Van Woerkom's statement is as follows:

Today I rise with a heavy heart to honor and remember Army Specialist Brian Derks who recently gave his life while serving our country in Iraq. He was on mounted patrol last month when a homemade bomb exploded and killed him. Specialist Derks was assigned to the 2nd Squadron, 11th Armored Cavalry Regiment. He was 21 years old.

Brian graduated from White Cloud High School in 2003. He had a strong love for his country and enlisted in the Army during his senior year of high school. Brian was a bright student who always gave 100 percent. He was well liked by his peers and teachers. When asked why Brian joined the military, one school official said, "He knew basically that there was a job to be done and he wanted to serve his country." That statement explains many of the principles that guided Brian's life.

Brian was active in high school and in his community. He was a member of the football, baseball, and quiz bowl teams. He was a lifelong member of Christ Lutheran Church and an active member of the White Cloud Boy Scouts Troop No. 1137. At age 14, he was the youngest person to achieve the rank of Eagle Scout in the city of White Cloud. His scout leader said that Brian had two passions. One of them was the Boy Scouts and the other was serving the nation.

Even though he was far away from home, he kept in close touch with his family and spoke to his mom on the night that he died. In October, he was scheduled to come home on leave to officially ask his fiancée Nikki Crans to marry him. He often e-mailed his family and sent pictures of himself and the other soldiers in his unit. He liked to brag about driving the Humvee around Baghdad.

Last month, the community of White Cloud held a memorial service where 650 people attended to pay their respects. He was remembered as a role model who sacrificed out of a sense of duty to his country. Brian was respected by all who knew him.

Brian is survived by his parents Keith and Peggy, his sister Sally, his grandparents Emery and Esther Wilson and Vernon and Evelyn Derks, his fiancée Nikki Crans, and numerous other family members and friends in the community.

While these words cannot bring Brian back, I hope that they bring some comfort to his family as we honor his memory today in this chamber. His parents should be very proud that they raised a young man who lived a life committed to God, his country, and his family.

By unanimous consent the Senate returned to the order of  
**Conference Reports**

Senator Hammerstrom moved that joint rule 9 be suspended to permit immediate consideration of the conference reports relative to the following bills:

- Senate Bill No. 274**
- Senate Bill No. 275**
- Senate Bill No. 277**

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

Senator George submitted the following:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning  
**Senate Bill No. 274, entitled**

A bill to make appropriations for the department of history, arts, and libraries for the fiscal year ending September 30, 2006; to provide for the expenditure of those appropriations; to provide for the disposition of fees and other income received by the state agencies; to create funds; to provide for the disbursement of certain grants; to provide for reports; to prescribe powers and duties of certain state departments and certain state and local agencies and officers; and to repeal acts and parts of acts.

Recommends:

First: That the House recede from the Substitute of the House as passed by the House.

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

A bill to make appropriations for the department of history, arts, and libraries for the fiscal year ending September 30, 2006; to provide for the expenditure of those appropriations; to provide for the disposition of fees and other income received by the state agencies; to create funds; to provide for the disbursement of certain grants; to provide for reports; to prescribe powers and duties of certain state departments and certain state and local agencies and officers; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of history, arts, and libraries for the fiscal year ending September 30, 2006, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES**

APPROPRIATION SUMMARY:

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	232.0	
GROSS APPROPRIATION .....		\$ 53,850,900
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		649,700
ADJUSTED GROSS APPROPRIATION .....		\$ 53,201,200

	For Fiscal Year Ending Sept. 30, 2006
Federal revenues:	
Total federal revenues .....	\$ 8,218,300
Special revenue funds:	
Total private revenues .....	577,400
Total other state restricted revenues .....	2,583,600
State general fund/general purpose .....	\$ 41,821,900
<b>Sec. 102. DEPARTMENT OPERATIONS</b>	
Full-time equated unclassified positions .....	6.0
Full-time equated classified positions .....	30.0
Unclassified salaries .....	\$ 222,300
Management services—29.0 FTE positions.....	2,001,700
Building occupancy charges and rent.....	2,746,100
Worker’s compensation .....	16,000
Film office—1.0 FTE position .....	174,700
Human resources optimization user charges.....	29,500
GROSS APPROPRIATION .....	\$ 5,190,300
Appropriated from:	
Special revenue funds:	
State general fund/general purpose .....	\$ 5,190,300
<b>Sec. 103. INFORMATION TECHNOLOGY</b>	
Information technology services and projects .....	\$ 790,700
GROSS APPROPRIATION .....	\$ 790,700
Appropriated from:	
Interdepartmental grant revenues:	
IDG-MDOT, comprehensive transportation fund.....	200
IDG-MDOT, state aeronautics fund.....	100
IDG-MDOT, state trunkline fund .....	3,500
Special revenue funds:	
Game and fish protection fund .....	100
Mackinac Island state park fund .....	45,100
Special revenue, internal service and pension trust .....	3,100
State lottery fund .....	900
State general fund/general purpose .....	\$ 737,700
<b>Sec. 104. COUNCIL FOR ARTS AND CULTURAL AFFAIRS</b>	
Full-time equated classified positions .....	9.0
Administration—9.0 FTE positions.....	\$ 694,400
Arts and cultural grants.....	9,828,400
GROSS APPROPRIATION .....	\$ 10,522,800
Appropriated from:	
Federal revenues:	
NFAH-NEA, promotion of the arts, partnership agreements .....	700,000
Special revenue funds:	
State general fund/general purpose .....	\$ 9,822,800
<b>Sec. 105. MACKINAC ISLAND STATE PARK COMMISSION</b>	
Full-time equated classified positions .....	39.0
Mackinac Island park operation—24.3 FTE positions.....	\$ 1,946,000
Historical facilities system—14.7 FTE positions .....	1,692,900
GROSS APPROPRIATION .....	\$ 3,638,900
Appropriated from:	
Interdepartmental grant revenues:	
IDG-MDOT, state trunkline fund .....	500,000
Special revenue funds:	
Mackinac Island state park operation fees.....	150,000
Mackinac Island state park fund .....	1,489,800
State general fund/general purpose .....	\$ 1,499,100

For Fiscal Year  
Ending Sept. 30,  
2006

**Sec. 106. MICHIGAN HISTORICAL PROGRAM**

Full-time equated classified positions .....	83.0	
Historical administration and services—71.0 FTE positions .....		\$ 5,137,500
Federal programs—12.0 FTE positions .....		1,960,900
Heritage publications .....		700,000
Private grants and gifts .....		502,400
Thunder Bay national marine sanctuary and underwater preserve .....		195,400
Historical grants.....		25,000
<b>GROSS APPROPRIATION .....</b>		<b>\$ 8,521,200</b>
Appropriated from:		
Interdepartmental grant revenues:		
IDG-MDOT, comprehensive transportation fund.....		6,100
IDG-MDOT, state aeronautics fund.....		3,700
IDG-MDOT, state trunkline fund .....		136,100
Federal revenues:		
DOI-NPS, historic preservation grants-in-aid.....		1,395,700
Federal funds .....		565,200
Special revenue funds:		
Private - grants and gifts.....		400,000
Private - Mann house trust fund.....		102,400
Game and fish protection fund.....		3,900
Heritage publication fund.....		700,000
Marine safety fund.....		500
Special revenue, internal service and pension trust .....		76,200
State lottery fund .....		26,200
Waterways fund .....		900
State general fund/general purpose .....		\$ 5,104,300

**Sec. 107. LIBRARY OF MICHIGAN**

Full-time equated classified positions .....	71.0	
Book distribution centers .....		\$ 350,000
Collected gifts and fees.....		161,900
Library of Michigan operations—71.0 FTE positions .....		6,303,800
Library services and technology act.....		5,557,400
State aid to public libraries .....		7,177,300
State aid to cooperative libraries .....		4,649,800
Subregional state aid.....		505,000
Preservation and access for Michigan project .....		481,800
<b>GROSS APPROPRIATION .....</b>		<b>\$ 25,187,000</b>
Appropriated from:		
Federal revenues:		
Library services and technology act.....		5,557,400
Special revenue funds:		
Private - gifts and bequests revenues .....		75,000
User fees.....		86,900
State general fund/general purpose .....		\$ 19,467,700

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2005-2006 is \$44,405,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2005-2006 is \$15,280,600.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

**DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES**

Arts and cultural grants.....	\$ 2,948,500
State aid to libraries.....	11,827,100
Subregional state aid.....	505,000
Total department of history, arts, and libraries .....	<b>\$ 15,280,600</b>



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

Sec. 203. As used in this appropriation act:

- (a) "Department" means the department of history, arts, and libraries.
- (b) "Director" means the director of the department of history, arts, and libraries.
- (c) "DOI-NPS" means the United States department of interior, national park service.
- (d) "Fiscal agencies" means the house fiscal agency and the senate fiscal agency.
- (e) "FTE" means full-time equated.
- (f) "IDG" means interdepartmental grant.
- (g) "MCACA" means the Michigan council for arts and cultural affairs.
- (h) "MDOT" means the Michigan department of transportation.
- (i) "NEA" means the national endowment for the arts.
- (j) "NFAH" means the national foundation of the arts and the humanities.
- (k) "Subcommittees" means all members of the appropriate subcommittees of the house and senate appropriations committees.

Sec. 204. The department of civil service shall bill the departments at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 205. (1) A hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.

(2) The state budget director shall grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, cause a loss of revenue to the state, result in the inability of the state to receive federal funds, or would necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.

Sec. 207. At least 60 days before beginning any effort to privatize, the department shall submit a complete project plan to the subcommittees and the fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the fiscal agencies and to the subcommittees within 30 months.

Sec. 208. Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this act. Required reports may be transmitted via electronic mail to the recipients identified for each reporting requirement or they may be placed on the Internet or Intranet site.

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference should be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable value.

Sec. 211. The department shall establish and maintain affirmative action programs based on guidelines developed by the state equal opportunity workforce planning council which was created by Executive Order No. 1996-13 in order to receive general fund/general purpose dollars.

Sec. 213. From the funds appropriated in part 1 for information technology, departments and agencies shall pay user fees to the department of information technology for technology related services and projects. The user fees shall be subject to provisions of an interagency agreement between the departments and agencies and the department of information technology.

Sec. 214. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 215. (1) The department may provide and enter into agreements to provide general services, training, meetings, information, special equipment, software, and facility use, and technical consulting services to other principal executive departments, state agencies, local units of government, the judicial branch of government, other organizations, and patrons of department facilities. Fees for services shall be reasonably related to the cost of providing the services and shall be used to offset the costs of the services. The department may receive and expend funds in addition to those authorized in part 1 for the following:

- (a) Supplying census-related information and technical services, publications, statistical studies, population projections and estimates, and other demographic products.
- (b) Microfilming and other document and data imaging services, media, storage, and copies.

(c) Patron copier and document reproduction services and copies.  
(d) Conferences, training classes, exhibits, programs, and workshops conducted as part of the department's mission.  
(e) Use of specialized equipment, facilities, and software that permit distance learning and meetings, and group decision making.

(f) Special services including the rental of department exhibits and collections.

(2) The funds received under this section may be deposited and expended from the history, arts, and libraries fund established in section 216 of this article.

Sec. 216. (1) A fund known as the history, arts, and libraries fund is created in the department. The fund may be used to receive and expend funds in addition to those authorized in part 1. The fund balance may be carried forward for expenditure in subsequent fiscal years.

(2) The department shall provide a report to the senate and house of representatives appropriations subcommittees on history, arts, and libraries of all revenues to and expenditures from the history, arts, and libraries fund. The report shall include an estimated fund balance for the fiscal year ending September 30, 2006. The report is due November 1, 2006.

Sec. 217. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2006 shall be limited to situations in which 1 or more of the following conditions apply:

(a) The travel is required by legal mandate or court order or for law enforcement purposes.

(b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.

(c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.

(d) The travel is necessary to comply with federal requirements.

(e) The travel is necessary to secure specialized training for staff that is not available within this state.

(f) The travel is financed entirely by federal or nonstate funds.

(2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the state budget director may grant an exception to allow the travel. Any exceptions granted by the state budget director shall be reported on a monthly basis to the house and senate appropriations committees.

(3) Not later than January 1 of each year, each department shall prepare a travel report listing all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the chairs and members of the house and senate appropriations committees, the fiscal agencies, and the state budget director. The report shall include the following information:

(a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.

(b) The destination of each travel occurrence.

(c) The dates of each travel occurrence.

(d) A brief statement of the reason for each travel occurrence.

(e) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

(f) A total of all out-of-state travel funded for the immediately preceding fiscal year.

Sec. 218. It is the intent of the legislature to explore supplemental fund sourcing options for the department of history, arts, and libraries.

Sec. 219. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 220. The department shall publish the proposed minutes of the Michigan film advisory commission on the Internet within 8 business days after the meeting to which the minutes refer. Approved minutes of the Michigan film advisory commission shall be posted on the Internet within 8 business days after their approval.

#### **MICHIGAN COUNCIL FOR ARTS AND CULTURAL AFFAIRS**

Sec. 401. (1) The MCACA in the department shall administer the arts and cultural grants appropriated in part 1.

(2) The MCACA shall render fair and independent decisions concerning arts and cultural grant requests and shall do all of the following:

(a) Use published criteria to evaluate program quality.

(b) Seek to award grants on an equitable geographic basis to the extent possible given the quality of grant applications received.

(c) Give priority to projects that serve multiple counties or that leverage significant additional public and private investment.

(3) The MCACA shall not award grants for projects or activities that include displays of human wastes on religious symbols, displays of sex acts, and depictions of flag desecration.

(4) The MCACA shall provide for fair, equitable, and efficient distribution of funds granted through the regional regranting program. The MCACA shall provide for an annual assessment of grant management and distribution of mini-grant awards by designated regional regranting agencies and review the methodology employed.

(5) The MCACA shall continue and expand its efforts to encourage and support nonprofit arts and cultural organizations to transition from solely volunteer-based organizations to professionally directed operations. Criteria for support include the requirement of collaboration between these organizations and other community organizations.

Sec. 402. The MCACA may award grants to counties, cities, villages, townships, community foundations and organizations in the following categories:

(a) Anchor organization program for organizations that serve regional and statewide audiences. Anchor organizations shall demonstrate a commitment to education, to mentoring smaller organizations, and to reaching underserved audiences.

(b) Arts projects program.

(c) Arts and learning program.

(d) Artists in residence for education program.

(e) Arts organization development program.

(f) Capital improvement program.

(g) Local arts agencies services program.

(h) Regional regranting program.

(i) Partnership program.

(j) Rural arts and cultural program.

(k) Cultural projects program.

(l) Historical projects program.

(m) Discretionary grants program.

Sec. 403. (1) From the state funds appropriated in part 1 for arts and cultural grants, no one organization may receive more than 17% of this funding. It is the intent of the legislature that this percentage be reduced to 16% in fiscal year 2007, and 15% in fiscal year 2008.

(2) The MCACA shall make every effort to provide total grant awards in the anchor organization program at a level not to exceed 70% of the total amount appropriated for arts and cultural grants.

(3) As documented in the audit report that is submitted as part of the grant application process, the total of all grants awarded to any organization receiving grants within the anchor organization program may not exceed 15% of their "total unrestricted revenues, gains, and other support," as defined by the financial accounting standards board in the accounting standards for not-for-profit organizations.

(4) Before any amount appropriated for arts and cultural grants in part 1 may be expended for a grant to an eligible recipient, the department shall execute a grant agreement with the recipient. The grant agreement shall identify the projects funded and specify the category in section 402 under which the grant is awarded.

Sec. 404. Grant applicants must meet and adhere to the following requirements:

(a) Each applicant shall pay a nonrefundable application fee of \$300.00 or 3% of the desired grant amount, whichever is less. The department may use the application fee to offset its direct and indirect costs.

(b) An applicant for a grant under the anchor organization program shall submit with the application the applicant's most recent annual audit report which states their "total unrestricted revenues, gains, and other support," as defined by the financial accounting standards board in the accounting standards for not-for-profit organizations. The audit report must cover an audit period that ends within 18 months of the date of the application.

(c) Each applicant shall identify proposed matching funds from local and/or private sources on a dollar-for-dollar basis. The dollar-for-dollar match may include the reasonable value of services, materials, and equipment as allowed under the federal internal revenue code for charitable contributions.

Sec. 405. Each grant recipient shall provide the MCACA with the following:

(a) The MCACA shall receive proof of the entire amount of the matching funds, services, materials, or equipment by the end of the award period.

(b) Within 30 days following the end of the grant period, a final report that includes the following:

(i) Project revenues and expenditures including grant matching fund amounts.

(ii) Number of patrons attracted or benefiting during the grant period.

(iii) A narrative summary of each project and its outcome.

(c) By April 7 of the grant year, each recipient of a grant greater than \$100,000.00 shall submit an interim report that includes the items identified in subdivision (b).

Sec. 406. (1) The department shall make the following reports:

(a) An electronic report identifying the website location that contains a list of all grant recipients, sorted by county. This report shall be provided to each legislator within 1 business day of the announcement of annual awards by the MCACA.

(b) An electronic report to the appropriations subcommittees, the state budget office, and the fiscal agencies, within 30 days after the MCACA announces the annual grant awards, that includes all of the following:

(i) A listing of each applicant.

- (ii) The county of residence of the applicant.
- (iii) The amount requested.
- (iv) The amount awarded.
- (v) The grant category under which an applicant applied.
- (vi) A summary of projects funded for each recipient.
- (vii) The expected number of patrons for an applicant during the grant period.
- (viii) The amount of matching funds proposed by each applicant.
- (ix) A listing containing the information in subdivision (a) and subparagraphs (i) to (viii) for any regranted funds in the preceding fiscal year.

(c) An annual report to the appropriations subcommittees, the state budget office, and the fiscal agencies is due when materials are first distributed by the MCACA seeking grant applications for the subsequent fiscal year. The report shall contain the following:

- (i) The MCACA guidelines for awarding grants.
  - (ii) A summary of any changes in the program guidelines from the previous fiscal year.
- (2) The council shall report to the chairpersons of the house and senate appropriations subcommittees on history, arts, and libraries by August 1 all unexpended or unencumbered discretionary grant funding that is available. The council shall not redistribute any unexpended or unencumbered grant funds during the fiscal year without a 10-day notice to the chairpersons of the house and senate appropriations subcommittees on history, arts, and libraries.

Sec. 407. It is the intent of the legislature to amend the income tax act of 1967, MCL 206.1 to 206.532, to create a designation on the Michigan income tax form for contributions to the Michigan council for arts and cultural affairs grant program.

#### **MICHIGAN HISTORICAL PROGRAM**

Sec. 501. The federal funds appropriated in part 1 for the historic site preservation grants are for work projects and shall not lapse at the end of the fiscal year but shall continue to be available for expenditure until the projects for which the funds were reserved have been completed or are terminated. The purpose of these work projects is the identification, designation, and preservation of historic resources. The method used will be to solicit applications, score applications based upon established criteria, and award subgrants. The department shall execute a grant agreement with each recipient. The total cost is \$1,348,000.00 and the tentative completion date is September 30, 2007.

Sec. 502. Funds collected by the department under sections 6, 7, and 7a of 1913 PA 271, MCL 399.6, 399.7, and 399.7a, are appropriated to the department for the purpose for which they were received and may be carried forward for expenditure in subsequent fiscal years.

Sec. 503. For the purposes of administering the museum store as provided in section 7a of 1913 PA 271, MCL 399.7a, the department is exempt from section 261 of the management and budget act, 1984 PA 431, MCL 18.1261.

Sec. 504. (1) From the state funds appropriated in part 1, the department may award discretionary historical grants to preserve Michigan lighthouses. The department may award up to \$25,000.00 in grants for this purpose and may use a portion of those funds to assist in the transfer of lighthouses from federal ownership. A portion of the funds may also be dedicated to program administration and project coordination.

(2) The department shall allocate grant funds under this section pursuant to eligibility and scoring requirements established by the department. The method used will be to solicit applications from eligible recipients, score applications based on the established criteria, and award grants through executed contracts.

(3) Grants under this section may be awarded for purposes of stabilization, rehabilitation, or other preservation work on a Michigan lighthouse, but shall not be awarded for operational purposes.

(4) The funds appropriated in part 1 and allocated by this section are for work projects. The funds shall not lapse to the general fund at the end of the fiscal year but shall remain available in subsequent fiscal years, until funds have been expended, the projects for which the funds were reserved have been completed, or the projects are terminated, whichever occurs first.

Sec. 505. From the funds appropriated in part 1 for historical administration and services, \$25,000.00 shall be allocated to support the operations of the Michigan freedom trail commission as specified in section 4 of the Michigan freedom trail commission act, 1998 PA 409, MCL 399.84. These funds shall be used to reimburse commission members, to pay for necessary contractual services of the commission, and to hire not more than 1.0 FTE position in the department's Michigan historical center to support commission operations.

Sec. 506. Proceeds in excess of costs incurred in the conduct of auctions, sales, or transfers of artifacts no longer considered suitable for the collections of the state historical museum are appropriated to the department and may be expended upon receipt for additional material for the collection. The department shall notify the chairpersons, vice chairpersons, and minority vice chairpersons of the senate and house appropriations subcommittees on history, arts, and libraries 1 week prior to any auctions or sales.

Sec. 507. Unless prohibited by law, the department shall make available to the historical society of Michigan the use of the Michigan history magazine subscriber list, or a portion of the Michigan history magazine subscriber list, at a cost not to exceed the actual expense incurred for providing a single mailing.

Sec. 508. From the funds appropriated in part 1 in the historical administration and services line item, \$100,000.00 shall be used to fund a competitive historical grant program. Eligible applicants include all state and local historical societies and the state historical preservation network. Awards shall be made for projects that can leverage additional public and private investment and may involve, but are not limited to, capital improvements projects, restorations, research, educational programs, and publications.

Sec. 509. Of the funds appropriated in part 1 for the historical grants, \$25,000.00 shall be allocated to support Michigan history day.

#### **LIBRARY OF MICHIGAN**

Sec. 601. In order to receive subregional state aid as appropriated in part 1 to the library of Michigan, a subregional library's fiscal agency must agree to maintain local funding support at the same level in the current fiscal year as in the fiscal agency's preceding fiscal year. If a reduction in expenditures equally affects all agencies in a local unit of government that is the subregional library's fiscal agency, that reduction shall not be interpreted as a reduction in local support and shall not disqualify a subregional library from receiving state aid under part 1. If a reduction in income affects a library cooperative or district library that is a subregional library's fiscal agency or a reduction in expenditures for the subregional library's fiscal agency, a reduction in expenditures for the subregional library shall not be interpreted as a reduction in local support and shall not disqualify a subregional library from receiving state aid under part 1.

Sec. 602. The funds appropriated in part 1 for a subregional library shall not be released until a budget for that subregional library has been approved by the department for expenditures for library services directly serving the blind and persons with disabilities. Subregional state aid shall be used only for providing services to the blind and to persons with disabilities.

Sec. 603. Of the funds appropriated in part 1 for the operation of the library of Michigan, a portion may be used for statewide database access such as making computerized databases, searches of those databases, and the products of those searches available through the libraries of Michigan. Only those libraries that qualify under the federal library services and technology act, subtitle B of title II of the museum and library services act, title II of the arts, humanities, and cultural affairs act of 1976, Public Law 94-462, 110 Stat. 3009-295, are eligible to participate in these activities.

Sec. 607. The funds appropriated in part 1 for book distribution centers shall be equally distributed to the public enrichment foundation and the Michigan friends of education.

Sec. 609. The appropriation in part 1 for the preservation and access for Michigan project shall be used to digitize materials currently in the possession of public libraries in the state and to preserve, store, and make these digitized images accessible via the Michigan electronic library. The subject materials are to be significant in the state's history, the only existing copies of unique items, or of broad interest to the citizens of Michigan. To the extent possible, the department shall seek to award these funds on an equitable geographic basis given the quality of proposals received. No single recipient shall receive funding in excess of 45% of the total appropriation.

Sec. 610. Of the total appropriation for state aid to cooperative libraries, \$4,334,600.00 shall be distributed at a rate of 43.478 cents per capita for payments as provided under section 13 of the state aid to public libraries act, 1977 PA 89, MCL 397.563, and \$315,200.00 shall be distributed on the basis of \$8.69 per square mile for payments to cooperative libraries as provided under section 16(4) of the state aid to public libraries act, 1977 PA 89, MCL 397.566.

#### **MACKINAC ISLAND STATE PARK COMMISSION**

Sec. 700. If additional general fund/general purpose funding is appropriated for the Mackinac Island state park commission, a like amount shall be transferred from the Mackinac Island park operation line item in part 1 to the arts and cultural grants and the state aid to libraries line items. The amount shall be equally divided between the appropriations.

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

A bill to make appropriations for the department of history, arts, and libraries for the fiscal year ending September 30, 2006; to provide for the expenditure of those appropriations; to provide for the disposition of fees and other income received by the state agencies; to create funds; to provide for the disbursement of certain grants; to provide for reports; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

Thomas M. George  
Michelle McManus  
Conferees for the Senate

Fran Amos  
Shelley Goodman Taub  
Conferees for the House

The question being on the adoption of the conference report,

The first conference report was adopted, a majority of the members serving voting therefor, as follows:

**Roll Call No. 413**

**Yeas—26**

Allen	Garcia	Johnson	Sanborn
Bernero	George	Kuipers	Schauer
Birkholz	Gilbert	McManus	Sikkema
Bishop	Goschka	Olshove	Stamas
Brown	Hammerstrom	Patterson	Toy
Cassis	Hardiman	Prusi	Van Woerkom
Cropsey	Jelinek		

**Nays—11**

Barcia	Cherry	Emerson	Scott
Basham	Clark-Coleman	Jacobs	Switalski
Brater	Clarke	Leland	

**Excused—1**

Thomas

**Not Voting—0**

In The Chair: Sanborn

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.

Senator Cropsey submitted the following:

**FIRST CONFERENCE REPORT**

The Committee of Conference on the matters of difference between the two Houses concerning **Senate Bill No. 275, entitled**

A bill to make appropriations for the judicial branch for the fiscal year ending September 30, 2006; to provide for the expenditure of these appropriations; to place certain restrictions on the expenditure of these appropriations; to prescribe the powers and duties of certain officials and employees; to require certain reports; and to provide for the disposition of fees and other income received by the judicial branch.

Recommends:

First: That the House recede from the Substitute of the House as passed by the House.

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

A bill to make appropriations for the judicial branch for the fiscal year ending September 30, 2006; to provide for the expenditure of these appropriations; to place certain restrictions on the expenditure of these appropriations; to prescribe the powers and duties of certain officials and employees; to require certain reports; and to provide for the disposition of fees and other income received by the judicial branch.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

**PART 1**

**LINE-ITEM APPROPRIATIONS**

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the judicial branch for the fiscal year ending September 30, 2006, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**JUDICIARY**

**APPROPRIATION SUMMARY:**

Full-time equated exempted positions .....	509.0	
<b>GROSS APPROPRIATION .....</b>		<b>\$ 255,381,900</b>

	For Fiscal Year Ending Sept. 30, 2006
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	\$ 2,563,500
ADJUSTED GROSS APPROPRIATION .....	\$ 252,818,400
Federal revenues:	
Total federal revenues .....	3,926,400
Special revenue funds:	
Total local revenues .....	3,419,100
Total private revenues .....	842,500
Total other state restricted revenues .....	87,015,900
State general fund/general purpose .....	\$ 157,614,500
<b>Sec. 102. SUPREME COURT</b>	
Full-time equated exempted positions.....235.0	
Supreme court administration—97.0 FTE positions .....	\$ 11,065,700
Judicial institute—16.0 FTE positions .....	2,719,300
State court administrative office—62.0 FTE positions .....	10,393,200
Judicial information systems—18.0 FTE positions .....	2,543,400
Direct trial court automation support—26.0 FTE positions.....	3,419,100
Foster care review board—12.0 FTE positions.....	1,248,600
Community dispute resolution—4.0 FTE positions.....	2,264,700
Other federal grants .....	275,000
Drug treatment courts .....	4,735,000
GROSS APPROPRIATION .....	\$ 38,664,000
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of community health .....	1,800,000
IDG from department of career development .....	40,000
IDG from state police - Michigan justice training fund .....	300,000
Federal revenues:	
DOJ, victims assistance programs.....	50,000
DOJ, drug court training and evaluation .....	300,000
DOT, national highway traffic safety administration .....	100,000
HHS, access and visitation grant.....	387,000
HHS, children’s justice grant .....	206,300
HHS, court improvement project.....	1,160,000
HHS, title IV-D child support program .....	907,700
HHS, title IV-E foster care program.....	540,400
Other federal grant revenues .....	275,000
Special revenue funds:	
Local - user fees .....	3,419,100
Private.....	169,000
Private - interest on lawyers trust accounts .....	232,700
Private - state justice institute .....	370,800
Community dispute resolution fund .....	2,264,700
Law exam fees .....	482,100
Drug court fund .....	1,920,500
Miscellaneous revenue .....	227,900
Justice system fund.....	700,000
State court fund .....	339,000
State general fund/general purpose .....	\$ 22,471,800
<b>Sec. 103. COURT OF APPEALS</b>	
Full-time equated exempted positions.....212.0	
Court of appeals operations—212.0 FTE positions .....	\$ 18,653,000
GROSS APPROPRIATION .....	\$ 18,653,000

	For Fiscal Year Ending Sept. 30, 2006
Appropriated from:	
Special revenue funds:	
Court filing/motion fees .....	\$ 1,808,500
Miscellaneous revenue .....	77,800
State general fund/general purpose .....	\$ 16,766,700
<b>Sec. 104. BRANCHWIDE APPROPRIATIONS</b>	
Full-time equated exempted positions.....4.0	
Branchwide appropriations—4.0 FTE positions .....	\$ 8,042,300
GROSS APPROPRIATION .....	\$ 8,042,300
Appropriated from:	
State general fund/general purpose .....	\$ 8,042,300
<b>Sec. 105. JUSTICES' AND JUDGES' COMPENSATION</b>	
Full-time judges positions.....613.0	
Supreme court justices' salaries—7.0 justices .....	\$ 1,152,300
Court of appeals judges' salaries—28.0 judges .....	4,240,300
District court judges' state base salaries—258.0 judges .....	23,877,200
District court judicial salary standardization.....	11,796,800
Probate court judges' state base salaries—103.0 judges .....	9,108,600
Probate court judicial salary standardization.....	4,389,800
Circuit court judges' state base salaries—217.0 judges .....	20,440,400
Circuit court judicial salary standardization.....	9,922,100
Judges' retirement system defined contributions .....	2,919,200
OASI, social security .....	4,733,900
GROSS APPROPRIATION .....	\$ 92,580,600
Appropriated from:	
Special revenue funds:	
Court fee fund.....	7,090,200
State general fund/general purpose .....	\$ 85,490,400
<b>Sec. 106. JUDICIAL AGENCIES</b>	
Full-time equated exempted positions .....	8.0
Judicial tenure commission—8.0 FTE positions .....	\$ 1,049,500
GROSS APPROPRIATION .....	\$ 1,049,500
Appropriated from:	
State general fund/general purpose .....	\$ 1,049,500
<b>Sec. 107. INDIGENT DEFENSE - CRIMINAL</b>	
Full-time equated exempted positions.....50.0	
Appellate public defender program—42.0 FTE positions.....	\$ 4,764,500
Appellate assigned counsel administration—8.0 FTE positions .....	869,900
GROSS APPROPRIATION .....	\$ 5,634,400
Appropriated from:	
Interdepartmental grant revenues:	
IDG from state police - Michigan justice training fund .....	423,500
Special revenue funds:	
Private - interest on lawyers trust accounts .....	70,000
Miscellaneous revenue .....	113,100
State general fund/general purpose .....	\$ 5,027,800
<b>Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE</b>	
Indigent civil legal assistance .....	\$ 7,937,000
GROSS APPROPRIATION .....	\$ 7,937,000
Appropriated from:	
Special revenue funds:	
State court fund .....	7,937,000
State general fund/general purpose .....	\$ 0
<b>Sec. 109. TRIAL COURT OPERATIONS</b>	
Court equity fund reimbursements .....	\$ 69,206,000
Judicial technology improvement fund.....	4,465,000
GROSS APPROPRIATION .....	\$ 73,671,000



For Fiscal Year  
Ending Sept. 30,  
2006

Appropriated from:	
Special revenue funds:	
Court equity fund.....	\$ 50,440,000
Judicial technology improvement fund.....	4,465,000
State general fund/general purpose .....	\$ 18,766,000
<b>Sec. 110. GRANTS AND REIMBURSEMENTS TO LOCAL GOVERNMENT</b>	
Drug case-flow program .....	\$ 250,000
Drunk driving case-flow program .....	2,300,000
Juror compensation reimbursement.....	6,600,000
Transcript fee reimbursement.....	100
GROSS APPROPRIATION .....	\$ 9,150,100
Appropriated from:	
Special revenue funds:	
Drug fund .....	250,000
Drunk driving fund .....	2,300,000
Juror compensation fund.....	6,600,000
Transcript fee fund.....	100
State general fund/general purpose .....	\$ 0

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2005-2006 is \$244,630,400.00 and state spending from state resources to be paid to local units of government for fiscal year 2005-2006 is estimated at \$123,762,500.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

**JUDICIARY**

**SUPREME COURT**

State court administrative office.....	\$ 511,900
Drug treatment courts .....	4,435,000

**TRIAL COURT OPERATIONS**

Court equity fund reimbursements .....	\$ 69,206,000
Judicial technology improvement fund.....	4,465,000

**JUSTICES' AND JUDGES' COMPENSATION**

District court judicial salary standardization.....	\$ 11,796,800
Probate court judges' state base salaries .....	9,108,600
Probate court judicial salary standardization.....	4,389,800
Circuit court judicial salary standardization.....	9,922,100
Grant to OASI contribution fund, employers share, social security.....	777,200

**GRANTS AND REIMBURSEMENTS TO LOCAL GOVERNMENT**

Drunk driving case-flow program .....	\$ 2,300,000
Drug case-flow program .....	250,000
Juror compensation reimbursement.....	6,600,000
Transcript fee fund.....	100
<b>TOTAL.....</b>	<b>\$ 123,762,500</b>

Sec. 202. (1) The appropriations authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(2) Funds appropriated in part 1 to an entity within the judicial branch shall not be expended or transferred to another account without written approval of the authorized agent of the judicial entity. If the authorized agent of the judicial entity notifies the state budget director of its approval of an expenditure or transfer, the state budget director shall immediately make the expenditure or transfer. The authorized judicial entity agent shall be designated by the chief justice of the supreme court.

Sec. 203. As used in this act:

- (a) "DOJ" means the United States department of justice.
- (b) "DOT" means the United States department of transportation.
- (c) "FTE" means full-time equated.
- (d) "HHS" means the United States department of health and human services.

(e) "IDG" means interdepartmental grant.

(f) "OASI" means old age survivor's insurance.

Sec. 204. The judicial branch shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 208. The reporting requirements of this act shall be completed with the approval of, and at the direction of, the supreme court. Unless otherwise specified, the judicial branch shall use the Internet to fulfill the reporting requirements of this act. This may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an Internet or Intranet site.

Sec. 214. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and comparable quality American goods or services, or both, are available. Preference should be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality.

Sec. 215. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2006 shall be limited to situations in which 1 or more of the following conditions apply:

(a) The travel is required by legal mandate or court order or for law enforcement purposes.

(b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.

(c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.

(d) The travel is necessary to comply with federal requirements.

(e) The travel is necessary to secure specialized training for staff that is not available within this state.

(f) The travel is financed entirely by federal or nonstate funds.

(2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the chief justice or his or her designee may grant an exception to allow the travel. Any exceptions granted by the chief justice or his or her designee shall be reported on a monthly basis to the house and senate appropriations committees.

(3) Not later than January 1 of each year, the state court administrative office shall prepare a travel report listing all travel by judicial branch employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the budget for the judicial branch. The report shall be submitted to the chairs and members of the house and senate appropriations committees, the fiscal agencies, and the state budget director. The report shall include the following information:

(a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.

(b) The destination of each travel occurrence.

(c) The dates of each travel occurrence.

(d) A brief statement of the reason for each travel occurrence.

(e) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

(f) A total of all out-of-state travel funded for the immediately preceding fiscal year.

### **JUDICIAL BRANCH**

Sec. 301. (1) The direct trial court automation support program of the state court administrative office shall recover direct and overhead costs from trial courts by charging for services rendered. The fee shall cover the actual costs incurred to the direct trial court automation support program in providing the service. A report of amounts collected in excess of funds identified as user service charges in part 1 shall be submitted to the state budget director and to the house and senate appropriations subcommittees on judiciary 30 days before expenditure by the direct trial court automation support program.

(2) From funds appropriated in part 1, the direct trial court automation support program of the state court administrative office shall provide to the state budget director, the senate and house appropriations committees, and the senate and house fiscal agencies before January 1 of each year, a detailed list of user service charges collected during the immediately preceding state fiscal year.

Sec. 302. Funds appropriated within the judicial branch shall not be expended by any component within the judicial branch without the approval of the supreme court.

Sec. 303. Of the amount appropriated in part 1 for the judicial branch, \$325,000.00 is allocated for circuit court reimbursement under section 3 of 1978 PA 16, MCL 800.453, and \$186,900.00 is allocated for court of claims reimbursement under section 6413 of the revised judicature act of 1961, 1961 PA 236, MCL 600.6413.

Sec. 306. The supreme court and the state court administrative office shall continue to maintain, as a priority, the assisting of local trial courts in improving the collection of judgments.

Sec. 307. It is the intent of the legislature that from the funds appropriated in part 1 for court of appeals operations, the judiciary shall use the following revenue amounts for the purpose of delay reduction:

(a) \$225,000.00 of additional filing fee revenue raised from the increase from \$250.00 to \$375.00 in court of appeals filing fees under section 321(1)(a) of the revised judicature act of 1961, 1961 PA 236, MCL 600.321.

(b) \$87,500.00 of additional fee revenue raised from the increase in court of appeals motion fees from \$75.00 to \$100.00 and from the increase from \$150.00 to \$200.00 in fees for motions for immediate consideration or expedited appeal, under section 321(1)(b) and (c) of the revised judicature act of 1961, 1961 PA 236, MCL 600.321.

Sec. 308. If sufficient funds are not available from the court fee fund to pay judges' compensation, the difference between the appropriated amount from that fund for judges' compensation and the actual amount available after the amount appropriated for trial court reimbursement is made shall be appropriated from the state general fund for judges' compensation.

Sec. 310. From the funds appropriated in part 1 for drug treatment court programs, under the direction of the supreme court, the state court administrative office shall contract with 1 or more independent third parties for evaluation and monitoring of drug court programs funded by the judiciary. The evaluation shall include measures of the impact of drug court programs in changing offender criminal involvement (recidivism) and substance abuse and in reducing prison admissions. The evaluation of a program funded with federal Byrne funds shall be consistent with any requirements contained in the federal Byrne grant for that program. Evaluations required by this section shall to the extent feasible compare offenders treated under the programs with other offenders of similar characteristics. Not later than April 1, 2006, the state court administrative office shall provide a progress report regarding the status and findings of the evaluation to the senate and house appropriations subcommittees on the judiciary, the senate and house fiscal agencies, and the state budget director.

Sec. 311. (1) The funds appropriated in part 1 for drug treatment courts shall be administered by the state court administrative office to operate drug treatment court programs. A drug treatment court program shall not receive funds for more than 5 years. A drug treatment court shall be responsible for handling cases involving substance abusing nonviolent offenders through comprehensive supervision, testing, treatment services, and immediate sanctions and incentives. A drug treatment court shall use all available county and state personnel involved in the disposition of cases including, but not limited to, parole and probation agents, prosecuting attorneys, defense attorneys, and community corrections providers. The funds may be used in connection with other federal, state, and local funding sources.

(2) Local units of government are encouraged to refer to federal drug treatment court guidelines to prepare proposals. However, federal agency approvals are not required for funding under this section.

(3) From the funds appropriated in part 1, the chief justice shall allocate sufficient funds for the judicial institute to provide in-state training for those identified in subsection (1), including training for new drug treatment court judges.

(4) For drug treatment court grants, consideration for priority may be given to those courts where higher instances of substance abuse cases are filed.

(5) The judiciary shall receive \$1,800,000.00 in Byrne formula grant funding as an interdepartmental grant from the department of community health to be used for expansion of drug treatment courts, to assist in avoiding prison bed space growth for nonviolent offenders in collaboration with the department of corrections.

Sec. 312. From the funds appropriated in part 1, the state court administrator shall produce a statistical report regarding the implementation of the parental rights restoration act, 1990 PA 211, MCL 722.901 to 722.908, as it pertains to minors seeking a court-issued waiver of parental consent. The state court administrative office shall report the total number of petitions filed and the total number of petitions granted in accordance with section 208.

Sec. 317. From the funds appropriated in part 1 for transcript fee reimbursement, the judiciary shall reimburse counties for additional costs incurred in the event of a statutory increase in transcript fees under section 2543 of the revised judicature act of 1961, 1961 PA 236, MCL 600.2543.

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

A bill to make appropriations for the judicial branch for the fiscal year ending September 30, 2006; 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.

Alan L. Cropsey  
Bill Hardiman  
Michael Switalski  
Conferees for the Senate

Glenn Steil, Jr.  
John Stewart  
Conferees for the House

The question being on the adoption of the conference report,

The first conference report was adopted, a majority of the members serving voting therefor, as follows:

**Roll Call No. 414**

**Yeas—36**

Allen	Cherry	Hardiman	Prusi
Barcia	Clark-Coleman	Jacobs	Sanborn
Basham	Clarke	Jelinek	Schauer
Bernero	Cropsey	Johnson	Scott
Birkholz	Garcia	Kuipers	Sikkema
Bishop	George	Leland	Stamas
Brater	Gilbert	McManus	Switalski
Brown	Goschka	Olshove	Toy
Cassisi	Hammerstrom	Patterson	Van Woerkom

**Nays—1**

Emerson

**Excused—1**

Thomas

**Not Voting—0**

In The Chair: Sanborn

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.

Senator Brown submitted the following:

**FIRST CONFERENCE REPORT**

The Committee of Conference on the matters of difference between the two Houses concerning **Senate Bill No. 277, entitled**

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2006; 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.

Recommends:

First: That the House recede from the Substitute of the House as passed by the House.

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

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2006; 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.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

**PART 1**

**LINE-ITEM APPROPRIATIONS**

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of military and veterans affairs for the fiscal year ending September 30, 2006, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

**APPROPRIATION SUMMARY:**

Full-time equated unclassified positions .....	7.0
Full-time equated classified positions .....	1,016.0

	For Fiscal Year Ending Sept. 30, 2006
GROSS APPROPRIATION .....	\$ 117,699,400
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	1,656,800
ADJUSTED GROSS APPROPRIATION .....	\$ 116,042,600
Federal revenues:	
Total federal revenues .....	49,537,200
Special revenue funds:	
Total local revenues .....	0
Total private revenues .....	1,355,800
Total other state restricted revenues .....	27,360,500
State general fund/general purpose .....	\$ 37,789,100
<b>Sec. 102. HEADQUARTERS AND ARMORIES</b>	
Full-time equated unclassified positions .....	7.0
Full-time equated classified positions .....	124.0
Headquarters and armories—83.5 FTE positions .....	\$ 9,929,800
Unclassified military personnel .....	660,300
Military appeals tribunal .....	900
Michigan emergency volunteers .....	5,000
State active duty .....	85,100
Challenge program—40.5 FTE positions .....	4,035,900
Homeland security .....	1,000,000
Human resources optimization user charge .....	29,500
Military family relief fund .....	600,000
GROSS APPROPRIATION .....	\$ 16,346,500
Appropriated from:	
IDG, challenge grant .....	250,800
IDG, community health .....	100,000
IDG, state police .....	900,000
IDG, human services .....	406,000
Federal revenues:	
DOD-DOA-NGB .....	4,356,300
Special revenue funds:	
Rental fees .....	350,000
Mackinac Bridge authority .....	55,000
Private donations .....	790,800
Military family relief fund .....	600,000
Parent pay revenue .....	100,000
State general fund/general purpose .....	\$ 8,437,600
<b>Sec. 103. MILITARY TRAINING SITES AND SUPPORT FACILITIES</b>	
Full-time equated classified positions .....	200.0
Military training sites and support facilities—200.0 FTE positions .....	\$ 20,009,800
Military training sites and support facilities test projects .....	100,000
GROSS APPROPRIATION .....	\$ 20,109,800
Appropriated from:	
Federal revenues:	
DOD-DOA-NGB .....	17,471,400
Special revenue funds:	
Test project fees .....	100,000
State general fund/general purpose .....	\$ 2,538,400
<b>Sec. 104. DEPARTMENTWIDE APPROPRIATIONS</b>	
Departmentwide accounts .....	\$ 1,656,500
Special maintenance - state .....	151,200
Special maintenance - federal .....	\$ 5,300,000

	For Fiscal Year Ending Sept. 30, 2006
Military retirement.....	\$ 2,807,000
Counter narcotic operations .....	50,000
Starbase grant .....	640,000
GROSS APPROPRIATION .....	\$ 10,604,700
Appropriated from:	
Federal revenues:	
DOD-DOA-NGB.....	7,206,100
Federal counter narcotic revenues.....	50,000
State general fund/general purpose .....	\$ 3,348,600
<b>Sec. 105. VETERANS SERVICE ORGANIZATIONS</b>	
American legion.....	\$ 886,000
Disabled American veterans.....	732,400
Marine corps league.....	336,300
American veterans of World War II and Korea.....	464,800
Veterans of foreign wars .....	886,000
Michigan paralyzed veterans of America .....	165,700
Purple heart.....	157,900
Veterans of World War I.....	100
Polish legion of American veterans.....	41,200
Jewish veterans of America.....	41,200
State of Michigan council - Vietnam veterans of America .....	159,500
Catholic war veterans.....	41,200
GROSS APPROPRIATION .....	\$ 3,912,300
Appropriated from:	
State general fund/general purpose .....	\$ 3,912,300
<b>Sec. 106. GRAND RAPIDS VETERANS' HOME</b>	
Full-time equated classified positions.....	517.0
Grand Rapids veterans' home—517.0 FTE positions .....	\$ 45,416,700
Board of managers.....	415,000
GROSS APPROPRIATION .....	\$ 45,831,700
Appropriated from:	
Federal revenues:	
DVA-VHA .....	14,191,900
HHS, Medicaid .....	381,200
HHS, Medicare .....	749,400
Special revenue funds:	
Private - veterans' home post and posthumous funds .....	340,000
Income and assessments.....	16,006,400
Military family relief fund .....	75,000
Lease revenue .....	35,000
State general fund/general purpose .....	\$ 14,052,800
<b>Sec. 107. D.J. JACOBETTI VETERANS' HOME</b>	
Full-time equated classified positions.....	159.0
D.J. Jacobetti veterans' home—159.0 FTE positions .....	\$ 14,371,300
Board of managers.....	200,000
GROSS APPROPRIATION .....	\$ 14,571,300
Appropriated from:	
Federal revenues:	
DVA-VHA .....	4,262,100
HHS, Medicare .....	367,100
HHS, Medicaid .....	87,700
Special revenue funds:	
Private - veterans' home post and posthumous funds .....	125,000
Military family relief fund .....	75,000
Income and assessments.....	4,840,400
State general fund/general purpose .....	\$ 4,814,000

For Fiscal Year  
Ending Sept. 30,  
2006

**Sec. 108. VETERANS' AFFAIRS DIRECTORATE**

Full-time equated classified positions.....16.0		
Veterans' affairs directorate administration—3.0 FTE positions .....	\$	316,300
Veterans' trust fund administration—13.0 FTE positions.....		1,141,100
Veterans' trust fund grants .....		3,746,500
<b>GROSS APPROPRIATION .....</b>	<b>\$</b>	<b>5,203,900</b>

Appropriated from:

Special revenue funds:

Michigan veterans' trust fund.....		4,887,600
State general fund/general purpose .....	\$	316,300

**Sec. 109. INFORMATION TECHNOLOGY**

Information technology services and projects .....	\$	1,119,200
<b>GROSS APPROPRIATION .....</b>	<b>\$</b>	<b>1,119,200</b>

Appropriated from:

Federal revenues:

DOD-DOA-NGB.....		109,100
DVA-VHA .....		296,300
HHS, Medicare .....		8,600

Special revenue funds:

Income and assessments.....		336,100
State general fund/general purpose .....	\$	369,100

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2005-2006 is \$65,149,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2005-2006 is \$120,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS  
MILITARY TRAINING SITES AND SUPPORT FACILITIES

Payments in lieu of taxes .....	\$	70,000
<b>MICHIGAN VETERANS' TRUST FUND</b>		
County counselor travel expenses .....	\$	50,000
<b>TOTAL.....</b>	<b>\$</b>	<b>120,000</b>

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

Sec. 203. As used in this act:

- (a) "Department" means the department of military and veterans affairs.
- (b) "Director" means the director of the department of military and veterans affairs.
- (c) "DOD" means the United States department of defense.
- (d) "DOD-DOA-NGB" means the DOD department of the army, national guard bureau.
- (e) "DVA" means the United States department of veterans' affairs.
- (f) "DVA-VHA" means the DVA veterans' health administration.
- (g) "FTE" means full-time equated.
- (h) "HHS" means the United States department of health and human services.
- (i) "IDG" means interdepartmental grant.

Sec. 204. The department of civil service shall bill the department at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 205. (1) Beginning October 1, a hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.

(2) The state budget director shall grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, cause loss of revenue to the state, result in the inability of the state to receive federal funds, or necessitate additional expenditures

that exceed any savings from maintaining a vacancy. The state budget director shall report by the last business day of each month to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous month and the justification for the exception.

Sec. 207. Sixty days before beginning any effort to privatize, the department shall submit a complete project plan to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies within 30 months.

Sec. 208. Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this act. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an Internet or Intranet site.

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference should be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable value.

Sec. 210. The director of each department receiving appropriations in part 1 shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 211. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow all federal guidelines and state laws regarding short-term and long-term retention of records.

Sec. 212. (1) Of the funds appropriated in section 103 for military training sites and support facilities, there shall be established a Michigan national guard education assistance program. Disbursements to the educational assistance program shall not exceed \$1,100,000.00 without legislative approval. Under the program, a member of the national guard who is in active service and who enrolls as a full- or part-time student at a public or private state college or university may be eligible to receive up to an equivalent of 50% of the total cost of tuition not to exceed \$2,000.00, as education assistance, in any academic year.

(2) As used in this section, an eligible person means a member of the Michigan national guard who is in active service, as defined in section 105 of the Michigan military act, 1967 PA 150, MCL 32.505. An eligible person does not include a member of the Michigan national guard or air national guard who is absent without leave or who is under charges as described in the Michigan code of military justice of 1980, 1980 PA 523, MCL 32.1001 to 32.1148.

(3) The department of military and veterans affairs, office of the adjutant general shall administer the education assistance program and prescribe forms and procedures to effectively carry out the education assistance program.

(4) An eligible person shall apply to the department of military and veterans affairs, office of the adjutant general for education assistance and shall provide evidence of attendance and completion of the course of study with a grade of at least 2.0 on a 4.0 scale, or its equivalent. The adjutant general shall approve the application for reimbursement if the applicant meets the definition of an eligible person under subsection (2) and other criteria as established by the adjutant general.

(5) The education assistance program applies to any course of instruction that is included in an associate, undergraduate, or postgraduate degree program offered by a college or university of this state.

(6) The education assistance program applies to an eligible person notwithstanding any other educational incentive or benefit received by the eligible person under any other educational assistance program provided by any other state.

(7) An eligible person who successfully completes the course of study with a grade of at least 2.0 on a 4.0 scale, or its equivalent, shall be eligible for reimbursement.

(8) The department of military and veterans affairs may use funds from the appropriated funds to administer the education assistance program.

(9) Reimbursed members who do not complete their national guard obligation shall pay the state for money received from the state for tuition. Members who fail to repay the state within the time limits established by the adjutant general shall be indebted to the state. The department shall work in conjunction with the department of treasury for inclusion in the tax intercept program for amounts due the state.

(10) A portion of the funds for the Michigan national guard education assistance program may be used by the department for the purpose of promoting the program and for encouraging those persons the department wishes to have enlist or reenlist in the Michigan national guard.

Sec. 213. The department shall consult with the house and senate appropriations subcommittees on military and veterans affairs regarding the projected closing or consolidation of any national guard armories.

Sec. 214. It is the intent of the legislature that, should the necessary legislation be enacted and funding become available, funds be appropriated for state military cemeteries in Crawford and Dickinson Counties.

Sec. 221. From the funds appropriated in part 1 for information technology, the department shall pay user fees to the department of information technology for technology-related services and projects. These user fees shall be subject to provisions of an interagency agreement between the department and the department of information technology.



Sec. 223. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 225. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2006 shall be limited to situations in which 1 or more of the following conditions apply:

(a) The travel is required by legal mandate or court order or for law enforcement purposes.

(b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.

(c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.

(d) The travel is necessary to comply with federal requirements.

(e) The travel is necessary to secure specialized training for staff that is not available within this state.

(f) The travel is financed entirely by federal or nonstate funds.

(2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the state budget director may grant an exception to allow the travel. Any exceptions granted by the state budget director shall be reported on a monthly basis to the house and senate appropriations committees.

(3) Not later than January 1 of each year, each department shall prepare a travel report listing all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the chairs and members of the house and senate appropriations committees, the fiscal agencies, and the state budget director. The report shall include the following information:

(a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.

(b) The destination of each travel occurrence.

(c) The dates of each travel occurrence.

(d) A brief statement of the reason for each travel occurrence.

(e) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

(f) A total of all out-of-state travel funded for the immediately preceding fiscal year.

Sec. 226. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 227. Sixty days prior to the public announcement of the intention to sell any department property, the department shall submit notification of that intent to the appropriate senate and house appropriations subcommittees and the senate and house fiscal agencies.

#### **HEADQUARTERS AND ARMORIES**

Sec. 301. The department may charge reasonable rental and equipment usage fees for renting an armory or using the distance learning network. The fee shall include the cost of overtime compensation, insurance coverage, and any maintenance required.

Sec. 302. (1) The funds appropriated in this act for private donations to the challenge program shall be considered state restricted revenue, and unexpended funds remaining at the close of the fiscal year shall not lapse to the general fund but shall be carried forward to the subsequent fiscal year.

(2) The department shall make every effort to identify alternative sources of revenue to replace the general fund/general purpose funding provided in this act for the challenge program.

(3) The department may charge a parent or guardian of a participant in the challenge program a fee for participating in the program if the participant is a member of a family with an income that exceeds 200% of the federal poverty guidelines as published by the United States department of health and human services. The amount charged the parent or guardian shall not exceed the per student state share cost of administering the program. The parent or guardian shall be notified of any charge to be assessed under this subsection prior to enrollment of the child in the program.

Sec. 304. The department will partner with the department of human services to identify youth who may be eligible for the challenge program from those youth served by department of human services programs. These eligible youth shall be given priority for enrollment in the program.

#### **VETERANS SERVICE ORGANIZATIONS**

Sec. 501. (1) Money appropriated in part 1 for grants to veterans service organizations shall be used only for salaries, wages, related personnel costs, training, and equipment for accredited veteran service advocacy officers and necessary support and managerial staff. Training shall be provided for service advocacy officers and shall be conducted by accredited advocacy officers.

(2) To receive a grant from the money appropriated in part 1, a veterans service organization shall meet the following eligibility requirements:

(a) Be congressionally chartered by the United States congress.

(b) Be an active participating member of the Michigan veterans organizations' rehabilitation and veterans service committee and abide by its rules, guidelines, and programs.

(c) Demonstrate the receipt of monetary or service support from its own organization.

(d) Comply with the department's and the legislature's requirements of accounting audits, service work activity, accounting of recoveries, listing of volunteer hours, budget requests, and other requirements specified in subsection (3).

(e) For a veterans service organization founded after September 30, 1989, be in operation and providing service to Michigan veterans for not less than 2 years before receiving an initial state grant. During this 2-year period of time, the organization shall file a listing of service work activity and an accounting of recoveries with the department, the senate and house fiscal agencies, the senate and house of representatives appropriations subcommittees on military affairs, and the state budget office on forms as prescribed by the department.

(3) A veterans service organization receiving a grant from the money appropriated in part 1 shall file with the department an accounting of its expenditures, audited and certified by a certified public accountant, within 120 days after the organization's fiscal year end. Each organization shall provide a detailed budget request for the fiscal year ending September 30, 2007 to the department by November 15, 2005. Each veterans service organization shall provide 5 copies of a listing of all service activity, an accounting of recoveries, and a listing of volunteer hours for the fiscal year ending September 30, 2005 to the department by January 31, 2006. The listing of volunteer hours shall include the hours, services, and donations provided to residents of the Grand Rapids veterans' home and the D.J. Jacobetti veterans' home. Each veterans service organization shall provide a copy of the most recent and completed internal revenue service form 990 to the department at the end of the fiscal year ending September 30, 2005. A veterans service organization receiving a grant from the money appropriated in part 1 shall use the forms recommended by the Michigan veterans organizations rehabilitation and veterans service committee for filing reports required by this article. The department shall forward information required under this section to the senate and house fiscal agencies, the senate and house of representatives appropriations subcommittees on military affairs, and the state budget office.

(4) The veterans service directors committee and the department shall take steps to improve the coordination of veterans benefits counseling in the state to maximize the effective and efficient use of taxpayer dollars in this goal and to ensure that every veteran is served.

(5) To accomplish the goal of subsection (4), the veterans service directors committee and the department shall take steps to increase their responsibility in the administration, management, oversight, and outreach of the delivery of services to veterans. The veterans service directors committee and the department shall involve county veterans counselors and representatives from the Michigan veterans trust fund to work in concert to identify, implement, and evaluate steps to do all of the following:

(a) Increase the veterans service directors committee and the department's role in working directly with the United States department of veterans' affairs to enhance the delivery of services to Michigan veterans.

(b) Increase the number of initial claims filed with the United States department of veterans' affairs on behalf of veterans for service-connected disability or pension benefits. The veterans service directors committee and the department may work toward either an absolute increase of approved claims or an increase in the percentage of Michigan veterans with approved claims.

(c) Develop methods to increase rates of recovery paid by the United States department of veterans' affairs to Michigan veterans either by an increase in compensation paid per approved claim or increase in compensation paid on a per capita basis.

(d) Expand training opportunities for veterans service organization service officers.

(e) Increase either the number or percentage of Michigan veterans enrolled in the VA healthcare system.

(f) Publicize the availability, benefit, and value of burial in the Fort Custer and Great Lakes national cemeteries.

(g) Review each grant recipient's performance under the program and require that performance be a major consideration in the future funding of each grant recipient.

(6) The veterans service directors committee and the department shall create a report of the efforts to complete the goals outlined in this section and shall provide suggestions on how a more effective and efficient veterans' benefits counseling program may best be designed for implementation for fiscal year 2006-2007. This report shall be delivered to the house and senate appropriations subcommittees no later than March 15, 2006.

#### **VETERANS' HOMES**

Sec. 601. Appropriations in this act for the Grand Rapids veterans' home and the D.J. Jacobetti veterans' home shall not be used for any purpose other than for veterans and veterans' families.

Sec. 602. The Grand Rapids veterans' home and the D.J. Jacobetti veterans' home, together with the department and the department of management and budget, shall produce and deliver to the senate and house of representatives appropriations subcommittees on state police and military affairs an annual written report. The report shall include an accounting of member populations and bed space available; a description and accounting of services and activities provided to members; financial information; current state nursing home licensure status; the steps required for Medicaid certification, including a listing of any personnel, equipment, supplies, or budgetary increases required; and whether or not steps are being taken toward Medicaid certification. The annual report shall be submitted to the senate and house of representatives appropriations subcommittees on military affairs no later than February 1, 2006.

Sec. 603. The money appropriated in this act for the boards of managers may be expended for facility improvements, the purchase and repair of equipment and furnishings, member services, and other purposes that benefit the Grand Rapids veterans' home and the D.J. Jacobetti veterans' home.

**VETERANS' TRUST FUND**

Sec. 703. (1) By April 1, 2006, the department shall submit to the senate and house of representatives appropriations subcommittees on military affairs and the state budget office a detailed annual report of the Michigan veterans' trust fund for fiscal year 2004-2005. The report shall include information on grants provided from the emergency grant program and the veterans' survivors tuition program, including details concerning the methodology of allocations, the selection of emergency grant program authorized agents, and a detailed breakdown of trust fund expenditures for that year. The report shall also provide an update on the department's efforts to reduce program administrative costs.

(2) The annual report required under subsection (1) shall contain information on the veterans' survivors tuition program, including the number of participants, where the participants attended school, payments made to each school, the average grade point and number of college credits earned by each participant, the number of participants suspended by the program, and the number of participants who earned a degree during fiscal year 2004-2005.

Sec. 704. The Michigan veterans affairs directorate administration and the Michigan veterans' trust fund administration shall take steps to assist the county veterans counselors of the state to obtain training necessary for the execution of their duties.

Sec. 705. (1) It is the intent of the legislature that prior to the enactment of the fiscal year 2006-2007 appropriations bill for the Michigan veterans' trust fund, there shall be legislation enacted which shall provide a dedicated funding source for the cost of the veterans' survivors tuition program which is a fund source other than from revenue from the Michigan veterans' trust fund so that annual interest earnings from the trust fund can be used solely for its original intent of providing temporary emergency financial assistance to wartime veterans in the state.

(2) Should the provisions of subsection (1) be enacted, it is the intent of the legislature that the veterans' trust fund board only expend interest earned by the Michigan veterans' trust fund as provided in 1946 (1st Ex Sess) PA 9, MCL 35.601a to 35.610, and that the board earmark funds each year from the interest earnings to pay into the corpus of the fund until the corpus of the fund reaches its original amount of \$50,000,000.00.

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

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2006; 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.

Cameron Brown  
Tony Stamas  
Hansen Clarke  
Conferees for the Senate

Bill Caul  
Howard Walker  
Michael Sak  
Conferees for the House

The question being on the adoption of the conference report,

The first conference report was adopted, a majority of the members serving voting therefor, as follows:

**Roll Call No. 415**

**Yeas—36**

Allen	Cherry	Hardiman	Prusi
Barcia	Clark-Coleman	Jacobs	Sanborn
Basham	Clarke	Jelinek	Schauer
Bernero	Cropsey	Johnson	Scott
Birkholz	Garcia	Kuipers	Sikkema
Bishop	George	Leland	Stamas
Brater	Gilbert	McManus	Switalski
Brown	Goschka	Olshove	Toy
Cassis	Hammerstrom	Patterson	Van Woerkom

**Nays—1**

Emerson

**Excused—1**

Thomas

**Not Voting—0**

In The Chair: Sanborn

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.

**Committee Reports**

The Committee on Senior Citizens and Veterans Affairs reported

**House Bill No. 4638, entitled**

A bill to amend 1980 PA 523, entitled "Michigan code of military justice of 1980," by amending sections 2, 3, 4, 7, 8, 9, 13, 14, 15, 16, 25, 26, 27, 29, 80, 84, 85, 92, 94, 99, 103, 105, 107, 108, 112, 113, 132, and 134 (MCL 32.1002, 32.1003, 32.1004, 32.1007, 32.1008, 32.1009, 32.1013, 32.1014, 32.1015, 32.1016, 32.1025, 32.1026, 32.1027, 32.1029, 32.1080, 32.1084, 32.1085, 32.1092, 32.1094, 32.1099, 32.1103, 32.1105, 32.1107, 32.1108, 32.1112, 32.1113, 32.1132, and 32.1134), section 16 as amended by 1990 PA 300, and by adding sections 50a, 88, 109, and 121.

With the recommendation that the bill pass.

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

Laura M. Toy  
Chairperson

To Report Out:

Yeas: Senators Toy, Stamas, Gilbert, Clark-Coleman and Olshove

Nays: None

The bill was referred to the Committee of the Whole.

**COMMITTEE ATTENDANCE REPORT**

The Committee on Senior Citizens and Veterans Affairs submitted the following:

Meeting held on Wednesday, September 14, 2005, at 1:00 p.m., Room 100, Farnum Building

Present: Senators Toy (C), Stamas, Gilbert, Clark-Coleman and Olshove

The Committee on Technology and Energy reported

**Senate Bill No. 708, entitled**

A bill to amend 2004 PA 241, entitled "Michigan children's protection registry act," by amending section 3 (MCL 752.1063).

With the recommendation that the bill pass.

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

Bruce Patterson  
Chairperson

To Report Out:

Yeas: Senators Patterson, Kuipers, Birkholz, Brown, Cassis, Leland and Bernero

Nays: None

The bill was referred to the Committee of the Whole.

## COMMITTEE ATTENDANCE REPORT

The Committee on Technology and Energy submitted the following:

Meeting held on Wednesday, September 14, 2005, at 1:00 p.m., Room 210, Farnum Building

Present: Senators Patterson (C), Kuipers, Birkholz, Brown, Cassis, Olshove, Leland and Bernero

## COMMITTEE ATTENDANCE REPORT

The Committee on Finance submitted the following:

Meeting held on Wednesday, September 14, 2005, at 12:40 p.m., Room 110, Farnum Building

Present: Senators Cassis (C), McManus, Thomas and Brater

Excused: Senator Garcia

## COMMITTEE ATTENDANCE REPORT

The Conference Committee on General Government (SB 272) submitted the following:

Meeting held on Wednesday, September 14, 2005, at 5:00 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building

Present: Senators Garcia (C) and Switalski

Excused: Senator McManus

**Scheduled Meetings****Conference Committees -**

**Human Services (SB 271)** - Tuesday, September 20, 8:30 a.m., Room 110, Farnum Building (373-1801)

**Omnibus (HB 4831)** - Tuesday, September 20, 9:00 a.m., House Appropriations Room, 3rd Floor, Capitol Building (373-8080)

**School Aid (HB 4887)** - Tuesday, September 20, 9:00 a.m., Room 426, Capitol Building (373-8080)

**Health Policy** - Wednesday, September 21, 1:00 p.m., Senate Hearing Room, Ground Floor, Boji Tower (373-3543)

**Judiciary** - Tuesday, September 20, 1:00 p.m., Room 210, Farnum Building (373-3760)

**Local, Urban and State Affairs** - Thursday, September 22, 1:00 p.m., Room 110, Farnum Building (373-1707)

**Michigan Capitol Committee** - Thursday, October 6, 12:30 p.m., Rooms 402 and 403, Capitol Building (373-0289)

**Transportation** - Tuesday, September 20, 1:00 p.m., Room 110, Farnum Building (373-7708)

Senator Hammerstrom moved that the Senate adjourn.

The motion prevailed, the time being 11:46 a.m.

The Assistant President pro tempore, Senator Sanborn, declared the Senate adjourned until Tuesday, September 20, 2005, at 10:00 a.m.

CAROL MOREY VIVENTI  
Secretary of the Senate

