# No. 53 STATE OF MICHIGAN Journal of the Senate

# 93rd Legislature REGULAR SESSION OF 2006

Senate Chamber, Lansing, Wednesday, May 31, 2006.

10:00 a.m.

The Senate was called to order by the President pro tempore, Senator Patricia L. Birkholz.

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

| Allen—present         |
|-----------------------|
| Barcia—present        |
| Basham—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—present
Toy—present
Van Woerkom—present
Whitmer—present

Pastor Krag Johnson of Grove Bible Church of St. Johns offered the following invocation:

Our Father, we thank You this morning for the privilege of coming to this holy place and the people that You have ordained to this great ministry of government. We pray that You would make it clear on their minds that You've called them from eternity past to do this great thing that will affect us today and in the future. We pray for the protection of their families as they pursue this duty that You've called them to. We thank You that You protect us by Your love and grace, and as they do the business of government today, we pray that You would give them the wisdom that only comes from a God who loves us. I pray that as they make decisions for freedom to do what we should, not what we want, that You'd give them that holy wisdom that they desire and need.

We commit this day to You, Lord, in the name of our loving Savior Jesus Christ. Amen.

The President pro tempore, Senator Birkholz, led the members of the Senate in recital of the Pledge of Allegiance.

#### **Motions and Communications**

Senator Kuipers entered the Senate Chamber.

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

Senate Bill No. 246

The motion prevailed.

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

#### House Bill No. 5796, entitled

A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, the judicial branch, and the legislative branch for the fiscal years ending September 30, 2006 and September 30, 2007; to provide for certain conditions on appropriations; and to provide for the expenditure of the appropriations.

#### House Bill No. 5789, entitled

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 3, 6, 11, 11a, 11f, 11g, 11j, 11k, 14, 15, 17a, 17b, 18, 20, 20j, 22a, 22b, 22d, 24, 25a, 26a, 26b, 31a, 31d, 31f, 32c, 32d, 32j, 32k, 32l, 34, 37, 39a, 41, 41a, 51a, 51c, 51d, 53a, 54, 54a, 56, 57, 61a, 62, 74, 81, 94a, 98, 98b, 99, 99b, 101, 107, 121, 147, 161a, and 167 (MCL 388.1603, 388.1606, 388.1611, 388.1611a, 388.1611f, 388.1611g, 388.1611j, 388.1611k, 388.1614, 388.1615, 388.1617a, 388.1617b, 388.1618, 388.1620, 388.1620j, 388.1622a, 388.1622b, 388.1622d, 388.1624, 388.1625a, 388.1626a, 388.1626b, 388.1631a, 388.1631d, 388.1631f, 388.1632c, 388.1632d, 388.1632j, 388.1632k, 388.1632l, 388.1634, 388.1637, 388.1639a, 388.1641, 388.1641a, 388.1651a, 388.1651c, 388.1651d, 388.1653a, 388.1654, 388.1654a, 388.1656, 388.1657, 388.1661a, 388.1662, 388.1674, 388.1681, 388.1694a, 388.1698, 388.1698b, 388.1699, 388.1699b, 388.1701, 388.1707, 388.1721, 388.1747, 388.1761a, and 388.1767), sections 3, 6, 11, 11a, 11g, 11j, 15, 18, 20j, 22a, 22b, 22d, 24, 26a, 31d, 32c, 32d, 32j, 37, 39a, 41, 41a, 51c, 51d, 53a, 54, 56, 57, 61a, 62, 74, 81, 94a, 98, 98b, 99, 101, 107, 147, and 167 as amended and sections 11k, 26b, 31f, 32l, 54a, and 99b as added by 2005 PA 155, section 11f as amended by 2006 PA 119, section 14 as amended by 1993 PA 336, section 17a as amended by 2005 PA 95, section 17b as amended by 2005 PA 150, section 20 as amended and section 34 as added by 2006 PA 120, sections 25a and 161a as added by 1998 PA 553, section 31a as amended by 2006 PA 121, section 32k as added by 2004 PA 351, section 51a as amended by 2006 PA 90, and section 121 as amended by 1995 PA 130, and by adding sections 11m, 22c, 32b, 54b, 57a, 66, 92, 99c, 99d, 99e, 99f, and 104; and to repeal acts and parts of acts.

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

Senator Hammerstrom moved that the rules be suspended and that the following bills, now on General Orders, be placed on the General Orders calendar for consideration today:

House Bill No. 5796 House Bill No. 5789

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

Senator Hammerstrom moved that the rules be suspended and that the following bill, now on Committee Reports, be placed on the General Orders calendar for consideration today:

#### Senate Bill No. 1282

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

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

The motion prevailed.

The Secretary announced that the following House bills were received in the Senate and filed on Tuesday, May 30: House Bill Nos. 5786 6070 6085

# **Messages from the Governor**

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

Senate Bill No. 272

Senate Bill No. 271

Senate Bill No. 264

Senate Bill No. 274

Senate Bill No. 281

Senate Bill No. 175

Senate Bill No. 236

Senate Bill No. 892

Senate Bill No. 893

Senate Bill No. 956

Senate Bill No. 957

Senate Bill No. 179

Senate Bill No. 1026 Senate Bill No. 1027

Senate Bill No. 1028

Senate Bill No. 372

Senate Bill No. 973

Senate Bill No. 974

Senate Bill No. 975

Senate Bill No. 976

Senate Bill No. 242

The motion prevailed.

The following messages from the Governor were received:

Date: May 25, 2006 Time: 6:34 a.m.

To the President of the Senate:

Sir—I have this day approved and signed

# Enrolled Senate Bill No. 872 (Public Act No. 154), being

An act to amend 1963 (2nd Ex Sess) PA 43, entitled "An act to provide for public hearings on budgets of local units of government," by amending section 3 (MCL 141.413).

(Filed with the Secretary of State on May 26, 2006, at 2:18 p.m.)

Date: May 25, 2006 Time: 6:36 a.m.

To the President of the Senate:

Sir—I have this day approved and signed

# Enrolled Senate Bill No. 908 (Public Act No. 155), being

An act to amend 2003 PA 238, entitled "An act to provide for the qualification, appointment, and regulation of notaries; to provide for the levy, assessment, and collection of certain service charges and fees and to provide for their disposition; to create certain funds for certain purposes; to provide for liability for certain persons; to provide for the admissibility of certain evidence; to prescribe powers and duties of certain state agencies and local officers; to provide for remedies and penalties; and to repeal acts and parts of acts," by amending sections 27 and 47 (MCL 55.287 and 55.307); and to repeal acts and parts of acts.

(Filed with the Secretary of State on May 26, 2006, at 2:20 p.m.)

Date: May 29, 2006 Time: 4:00 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

# Enrolled Senate Bill No. 709 (Public Act No. 165), being

An act to amend 1931 PA 328, entitled "An act to revise, consolidate, codify, and add to the statutes relating to crimes; to define crimes and prescribe the penalties and remedies; to provide for restitution under certain circumstances; to provide for the competency of evidence at the trial of persons accused of crime; to provide immunity from prosecution for certain witnesses appearing at such trials; and to repeal certain acts and parts of acts inconsistent with or contravening any of the provisions of this act," by amending section 520b (MCL 750.520b), as amended by 2002 PA 714.

(Filed with the Secretary of State on May 30, 2006, at 10:15 a.m.)

Date: May 29, 2006 Time: 4:02 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

#### Enrolled Senate Bill No. 717 (Public Act No. 166), 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 16y of chapter XVII (MCL 777.16y), as amended by 2005 PA 304.

(Filed with the Secretary of State on May 30, 2006, at 10:17 a.m.)

Date: May 29, 2006 Time: 4:04 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

#### Enrolled Senate Bill No. 718 (Public Act No. 167), being

An act to amend 1953 PA 232, entitled "An act to revise, consolidate, and codify the laws relating to probationers and probation officers, to pardons, reprieves, commutations, and paroles, to the administration of correctional institutions, correctional farms, and probation recovery camps, to prisoner labor and correctional industries, and to the supervision and inspection of local jails and houses of correction; to provide for the siting of correctional facilities; to create a state department of corrections, and to prescribe its powers and duties; to provide for the transfer to and vesting in said department of powers and duties vested by law in certain other state boards, commissions, and officers, and to abolish certain boards, commissions, and offices the powers and duties of which are transferred by this act; to allow for the operation of certain facilities by private entities; to prescribe the powers and duties of certain other state departments and agencies; to provide for the creation of a local lockup advisory board; to prescribe penalties for the violation of

the provisions of this act; to make certain appropriations; to repeal certain parts of this act on specific dates; and to repeal all acts and parts of acts inconsistent with the provisions of this act," by amending section 34 (MCL 791.234), as amended by 2004 PA 218.

(Filed with the Secretary of State on May 30, 2006, at 10:19 a.m.)

Date: May 29, 2006 Time: 4:06 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

## Enrolled Senate Bill No. 1122 (Public Act No. 168), being

An act to amend 1953 PA 232, entitled "An act to revise, consolidate, and codify the laws relating to probationers and probation officers, to pardons, reprieves, commutations, and paroles, to the administration of correctional institutions, correctional farms, and probation recovery camps, to prisoner labor and correctional industries, and to the supervision and inspection of local jails and houses of correction; to provide for the siting of correctional facilities; to create a state department of corrections, and to prescribe its powers and duties; to provide for the transfer to and vesting in said department of powers and duties vested by law in certain other state boards, commissions, and officers, and to abolish certain boards, commissions, and offices the powers and duties of which are transferred by this act; to allow for the operation of certain facilities by private entities; to prescribe the powers and duties of certain other state departments and agencies; to provide for the creation of a local lockup advisory board; to prescribe penalties for the violation of the provisions of this act; to make certain appropriations; to repeal certain parts of this act on specific dates; and to repeal all acts and parts of acts inconsistent with the provisions of this act," by amending section 36 (MCL 791.236), as amended by 2003 PA 75.

(Filed with the Secretary of State on May 30, 2006, at 10:21 a.m.)

Respectfully, Jennifer M. Granholm Governor

The following message from the Governor was received and read:

May 30, 2006

Pursuant to Section 3 of Article 5 of the Michigan Constitution of 1963, please be advised that Mr. Robert W. Swanson, Jr., of 1744 Chester Road, Lansing, Michigan 48912, county of Ingham, is appointed as **Director of the Department of Labor and Economic Growth**, for a term commencing May 30, 2006 and expiring at the pleasure of the Governor.

Sincerely, Jennifer M. Granholm Governor

The appointment was referred to the Committee on Government Operations.

Senators Emerson and Garcia entered the Senate Chamber.

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

#### House Bill No. 4271, entitled

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending section 34c (MCL 211.34c), as amended by 2002 PA 620.

# Senate Bill No. 1215, entitled

A bill to amend 1976 PA 295, entitled "State transportation preservation act of 1976," by amending section 15a (MCL 474.65a), as added by 2002 PA 747.

#### Senate Bill No. 1269, entitled

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," by amending section 4404 (MCL 500.4404), as amended by 1995 PA 210.

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. 1268, entitled

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending section 7q (MCL 211.7q), as added by 1980 PA 142.

Substitute (S-2).

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: **House Bill No. 4072, entitled** 

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending section 34c (MCL 211.34c), as amended by 2002 PA 620.

Substitute (S-2).

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: **House Bill No. 4468, entitled** 

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending section 34c (MCL 211.34c), as amended by 2002 PA 620.

Substitute (S-1).

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: Senate Bill No. 640, entitled

A bill to permit the establishment and maintenance of individual or family development accounts; to provide for certain tax deductions; to prescribe the requirements of and restrictions on individual or family development accounts; and to provide penalties and remedies.

Substitute (S-1).

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: Senate Bill No. 641, entitled

A bill to amend 1975 PA 228, entitled "Single business tax act," (MCL 208.1 to 208.145) by adding section 35d. Substitute (S-1).

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: **Senate Bill No. 642, entitled** 

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," (MCL 206.1 to 206.532) by adding section 272. Substitute (S-1).

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: **Senate Bill No. 95, entitled** 

A bill to amend 1976 PA 451, entitled "The revised school code," by amending section 1284 (MCL 380.1284), as amended by 1997 PA 53.

Substitute (S-1).

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: **Senate Bill No. 1282, entitled** 

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 13m of chapter XVII (MCL 777.13m), as amended by 2003 PA 311.

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. 5796, entitled** 

A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, the judicial branch, and the legislative branch for the fiscal years ending September 30, 2006 and September 30, 2007; to provide for certain conditions on appropriations; and to provide for the expenditure of the appropriations.

Substitute (S-1).

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: **House Bill No. 5789, entitled** 

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 3, 6, 11, 11a, 11f, 11g, 11j, 11k, 14, 15, 17a, 17b, 18, 20, 20j, 22a, 22b, 22d, 24, 25a, 26a, 26b, 31a, 31d, 31f, 32c, 32d, 32j, 32k, 32l, 34, 37, 39a, 41, 41a, 51a, 51c, 51d, 53a, 54, 54a, 56, 57, 61a, 62, 74, 81, 94a, 98, 98b, 99, 99b, 101, 107, 121, 147, 161a, and 167 (MCL 388.1603, 388.1606, 388.1611, 388.1611a, 388.1611f, 388.1611g, 388.1611j, 388.1611k, 388.1614, 388.1615, 388.1617a, 388.1617b, 388.1618, 388.1620, 388.1620j, 388.1622a, 388.1622b, 388.1622d, 388.1624, 388.1625a, 388.1626a, 388.1626b, 388.1631a, 388.1631d, 388.1631f, 388.1632c, 388.1632d, 388.1632j, 388.1632k, 388.1632l, 388.1634, 388.1637, 388.1639a, 388.1641, 388.1641a, 388.1651a, 388.1651c, 388.1651d, 388.1653a, 388.1654, 388.1654a, 388.1656, 388.1657, 388.1661a, 388.1662, 388.1674, 388.1681, 388.1694a, 388.1698, 388.1698b, 388.1699, 388.1699b, 388.1701, 388.1707, 388.1721, 388.1747, 388.1761a, and 388.1767), sections 3, 6, 11, 11a, 11g, 11j, 15, 18, 20j, 22a, 22b, 22d, 24, 26a, 31d, 32c, 32d, 32j, 37, 39a, 41, 41a, 51c, 51d, 53a, 54, 56, 57, 61a, 62, 74, 81, 94a, 98, 98b, 99, 101, 107, 147, and 167 as amended and sections 11k, 26b, 31f, 32l, 54a, and 99b as added by 2005 PA 155, section 11f as amended by 2006 PA 119, section 14 as amended by 1993 PA 336, section 17a as amended by 2005 PA 95, section 17b as amended by 2005 PA 150, section 20 as amended and section 34 as added by 2006 PA 120, sections 25a and 161a as added by 1998 PA 553, section 31a as amended by 2006 PA 121, section 32k as added by 2004 PA 351, section 51a as amended by 2006 PA 90, and section 121 as amended by 1995 PA 130, and by adding sections 11m, 22c, 32b, 54b, 57a, 66, 92, 99c, 99d, 99e, 99f, and 104; and to repeal acts and parts of acts.

Substitute (S-1).

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

By unanimous consent the Senate returned to the order of

# Third Reading of Bills

Senator Hammerstrom moved that the rules be suspended and that the following bills, now on the order of Third Reading of Bills, be placed on their immediate passage:

House Bill No. 5796 House Bill No. 5789

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

Senator Hammerstrom moved that the following bills be placed at the head of the Third Reading of Bills calendar:

Senate Bill No. 405 Senate Bill No. 459

House Bill No. 5796

House Bill No. 5789

The motion prevailed.

The following bill was read a third time:

#### Senate Bill No. 405, entitled

A bill to amend 1980 PA 497, entitled "Construction lien act," by amending sections 110, 115, 202, 203, 204, and 206 (MCL 570.1110, 570.1115, 570.1202, 570.1203, 570.1204, and 570.1206), section 110 as amended by 2001 PA 151, sections 115 and 203 as amended by 1982 PA 17, and sections 202 and 206 as amended by 1981 PA 191.

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. 423

# Yeas—38

Allen Clarke Jelinek Barcia Cropsey Johnson Basham Emerson Kuipers Garcia Birkholz Leland McManus Bishop George Brater Gilbert Olshove Brown Goschka Patterson Cassis Hammerstrom Prusi Hardiman Sanborn Cherry Clark-Coleman Jacobs

Schauer Scott Sikkema Stamas Switalski Thomas Toy

Van Woerkom Whitmer

Nays—0

Excused—0

Not Voting—0

In The Chair: Birkholz

The Senate agreed to the title of the bill.

The following bill was read a third time:

#### Senate Bill No. 459, entitled

A bill to amend 1980 PA 497, entitled "Construction lien act," by amending the title and sections 104, 106, 107, 114, and 201 (MCL 570.1104, 570.1106, 570.1107, 570.1114, and 570.1201), sections 104, 106, 107, and 114 as amended by 1982 PA 17 and section 201 as amended by 1984 PA 190, and by adding section 114a.

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. 424

#### Yeas—38

| Allen  | Clarke  | Jelinek | Schauer |
|--------|---------|---------|---------|
| Barcia | Cropsey | Johnson | Scott   |

Whitmer

Basham Emerson Kuipers Sikkema Birkholz Garcia Leland Stamas George Bishop McManus Switalski Brater Gilbert Olshove Thomas Brown Goschka Patterson Toy Van Woerkom Cassis Hammerstrom Prusi

Cherry Hardiman Sanborn

Clark-Coleman Jacobs

Nays-0

Excused—0

Not Voting—0

In The Chair: Birkholz

The Senate agreed to the title of the bill.

The following bill was read a third time:

# House Bill No. 5796, entitled

A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, the judicial branch, and the legislative branch for the fiscal years ending September 30, 2006 and September 30, 2007; to provide for certain conditions on appropriations; and to provide for the expenditure of the appropriations.

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. 425 Yeas—22

| Allen    | Garcia  | Jelinek | Sanborn |
|----------|---------|---------|---------|
| Birkholz | George  | Johnson | Sikkema |
| Bishop   | Gilbert | Kuipers | Stamas  |
| Brown    | Goschka | McManus | Toy     |

Cassis Hammerstrom Patterson Van Woerkom

Cropsey Hardiman

# Nays—16

| Barcia | Clark-Coleman | Leland  | Scott     |
|--------|---------------|---------|-----------|
| Basham | Clarke        | Olshove | Switalski |
| Brater | Emerson       | Prusi   | Thomas    |
| Cherry | Jacobs        | Schauer | Whitmer   |

# Not Voting—0

In The Chair: Birkholz

The Senate agreed to the title of the bill.

The following bill was read a third time:

# House Bill No. 5789, entitled

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 11 and 17b (MCL 388.1611 and 388.1617b), section 11 as amended by 2005 PA 155 and section 17b as amended by 2005 PA 150.

Yeas—22

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. 426

| Allen    | Garcia      | Jelinek   | Sanborn     |
|----------|-------------|-----------|-------------|
| Birkholz | George      | Johnson   | Sikkema     |
| Bishop   | Gilbert     | Kuipers   | Stamas      |
| Brown    | Goschka     | McManus   | Toy         |
| Cassis   | Hammerstrom | Patterson | Van Woerkom |
| Cropsey  | Hardiman    |           |             |

# Nays—16

| Barcia | Clark-Coleman | Leland  | Scott     |
|--------|---------------|---------|-----------|
| Basham | Clarke        | Olshove | Switalski |
| Brater | Emerson       | Prusi   | Thomas    |
| Cherry | Jacobs        | Schauer | Whitmer   |

Excused—0

Not Voting—0

In The Chair: Birkholz

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.

By unanimous consent the Senate returned 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 pro tempore, Senator Birkholz, designated Senator Kuipers as Chairperson.

After some time spent therein, the Committee arose; and, the President pro tempore, Senator Birkholz, having resumed the Chair, the Committee reported back to the Senate, favorably and with a substitute therefor, the following bill:

#### Senate Bill No. 1255, entitled

A bill to amend 1939 PA 280, entitled "The social welfare act," (MCL 400.1 to 400.119b) by adding section 105b. Substitute (S-1).

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

- 1. Amend page 1, line 2, after "SHALL" by striking out the balance of the line through "REQUIREMENTS" on line 3 and inserting "INCLUDE IN ANY FEDERAL WAIVER REQUEST, SUBMITTED WITH THE INTENT TO SECURE FEDERAL MATCHING FUNDS TO COVER THE MEDICALLY UNINSURED, LANGUAGE".
  - 2. Amend page 1, line 8, after "AND" by striking out the balance of the line through "NEGATIVE" on line 9.
- 3. Amend page 2, line 6, by striking out "PREFERRED PROVIDER" and inserting "PREFERRED PRODUCT AND SERVICE FORMULARY".
- 4. Amend page 2, line 7, by striking out "PREFERRED PROVIDER" and inserting "PREFERRED PRODUCT AND SERVICE FORMULARY".
  - 5. Amend page 2, line 10, after "ORGANIZATIONS." by striking out the balance of the subdivision.

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

#### Resolutions

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

Senate Resolution No. 71

The motion prevailed.

Senator Sikkema offered the following concurrent resolution:

#### Senate Concurrent Resolution No. 45.

A concurrent resolution to create the Joint Select Committee on Economic Growth.

Whereas, The single business tax, which was adopted in 1975, replaced a host of other business taxes with a modified value added system that was unique in its scope. The tax has been modified numerous times over the course of the years to make it friendlier to business, but these changes have never completely quelled the negative characteristics of the tax. In fact, the changes have ultimately distorted its value added nature, made it more complex, and, arguably, made it an even larger deterrent to economic activity and business recruitment in the state; and

Whereas, The single business tax has been reviled as being an odious, destructive, and onerous tax long overdue for replacement. Indeed, in 1999, legislation was adopted to phase out the tax over a 23-year period. This timetable was changed by 2002 PA 531 to eliminate the tax after December 31, 2009; and

Whereas, An initiative petition to repeal the single business tax on December 31, 2007, has been filed with the Secretary of State. Once the petition signatures have been verified, the Legislature, as set out in the Constitution, must either enact or reject the single business tax repeal without change or amendment; and

Whereas, The single business tax stymies business growth and the state's economic development efforts since it taxes jobs, taxes health care, and taxes businesses that do not turn a profit. Replacing the single business tax with a business tax that is more equitable, less complex, and more conducive to business recruitment, retention, and expansion and the associated job creation is one of Michigan's most pressing needs, as the future of our state and its economy is at a critical junction. Business tax replacement requires immediate and determined action by the Legislature to assure that good tax policy will be responsible public policy; now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That we hereby create the Joint Select Committee on Economic Growth. The joint select committee will be comprised of 3 members of the Senate appointed by the Senate Majority Leader in the same manner as standing committees in the Senate are appointed, and 3 members of the House of Representatives appointed by the Speaker of the House in the same manner as standing committees in the House of Representatives are appointed. The joint select committee shall report its findings and recommendations to the Legislature; and be it further

Resolved, That the joint select committee shall examine methods of business taxation that are conducive to business recruitment, retention, and expansion and the associated jobs that are created. The joint select committee shall also consider mechanisms to protect the integrity of the current tax credits including brownfield redevelopment, MEGA job creation and retention activity, expansion of venture capital in Michigan, business activity within Michigan's numerous renaissance zones, and similar economic development tools. The joint select committee, with the assistance of the

directors of the Senate Fiscal Agency and the House Fiscal Agency, shall also examine ways to allow the agencies access to all business taxpayer information relevant to the development of a replacement business tax while providing adequate protection against inappropriate disclosure; and be it further

Resolved, That the joint select committee is hereby authorized to expend a maximum of \$10,000 in carrying out its duties and such additional expenditures deemed necessary by the chair of the committee and approved by the Senate Majority Leader and the Speaker of the House of Representatives. Payments for contractual services may be authorized by the committee chair, the Senate Majority Leader, and the Speaker of the House of Representatives.

Pending the order that, under rule 3.204, the concurrent 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 concurrent resolution was adopted.

By unanimous consent the Senate proceeded to the order of

#### **Statements**

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

The motion prevailed.

Senator Cassis' statement is as follows:

I rise today to say that I am honored and humbled to be appointed by my leader, Senator Sikkema, to co-chair a committee that will deliberate on the economic future and the future course of our Great Lakes State. At a time of economic crisis and anguish in the hearts of Michigan workers, I take this task very seriously and with determination—determination to work in a nonpartisan way with a positive attitude to come up with guidelines to propose to the entire Legislature as a substitute for an antiquated and outmoded business tax.

I'm elated with the choice of committee members, rich with talent and people of goodwill: Senator Sanborn, the competent chair of Economic Development, Small Business and Regulatory Reform; Senator Thomas, a well-rounded minority vice chair of Senate Finance; Representative Sheen, the very capable chair of House Tax Policy; Representative Huizenga, the resourceful chair of House Commerce and member of House Banking and Financial Services; and Representative Dillion, an involved member of House Commerce and Banking and Financial Services.

I am determined that all our work will be in a nonpartisan manner for the good of our state and for the good of our people. The outcome of our work must be for the benefit of all—Democrats, Republicans, Independents—all political persuasions.

I disagree with some who cast a negative light on this committee before it even convenes. I doubt if my colleagues on the committee would ever want to go forward with all the time and hard work if we are viewed as a way to provide cover. So it is with a sincere sense of determination and purpose that we engage, that we work together in the best interests of our beloved Great Lakes State.

Senator Scott's statement is as follows:

I have three very short ones from my website. The first one is from Detroit: "I inquired about the cost of car insurance if I moved to Warren and my cost decreased by 50 percent. So I inquired about my home insurance also and the rate difference was even more dramatic."

Another one: "My wife and I have been Detroit residents for most of our married life. We have watched as our insurance costs have rocketed to over \$1,400 a year. This is with only one claim in over 30 years."

The next one also from Detroit: "I paid twice the insurance premiums as friends that live north of 8 Mile."

By unanimous consent the Senate returned to the order of

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

## House Bill No. 5786, entitled

A bill to make appropriations for the Michigan strategic fund and certain other state purposes for the fiscal year ending September 30, 2007; to provide for the expenditure of the appropriations; to provide certain conditions on appropriations; and to provide for the disposition of fees and other income received by certain state agencies.

The House of Representatives has passed the bill.

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

#### House Bill No. 6070, entitled

A bill to amend 1975 PA 228, entitled "Single business tax act," (MCL 208.1 to 208.145) by adding section 35e; and to repeal acts and parts of acts.

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

The bill was read a first and second time by title and referred to the Committee on Economic Development, Small Business and Regulatory Reform.

#### House Bill No. 6085, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending sections 303, 307, 307a, 310, and 314 (MCL 257.303, 257.307, 257.307a, 257.310, and 257.314), sections 303 and 307 as amended by 2005 PA 142, section 307a as added by 1988 PA 346, section 310 as amended by 2005 PA 141, and section 314 as amended by 2004 PA 362.

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 Government Operations.

#### **Committee Reports**

The Committee on Judiciary reported

#### House Bill No. 5602, entitled

A bill to amend 1939 PA 288, entitled "Probate code of 1939," by amending section 60 of chapter X (MCL 710.60), as amended by 1996 PA 409.

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

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

Alan L. Cropsey Chairperson

# To Report Out:

Yeas: Senators Cropsey, Bishop, Sanborn, Patterson, Schauer, Whitmer and Brater

Navs: None

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

The Committee on Judiciary reported

#### House Bill No. 5396, entitled

A bill to amend 1915 PA 31, entitled "Youth tobacco act," by amending the title and sections 1, 2, and 4 (MCL 722.641, 722.642, and 722.644), the title and section 4 as amended by 1992 PA 272 and sections 1 and 2 as amended by 1988 PA 314.

With the recommendation that the bill pass.

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

Alan L. Cropsey Chairperson

#### To Report Out:

Yeas: Senators Cropsey, Bishop, Sanborn, Patterson, Schauer, Whitmer and Brater

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Judiciary reported

# Senate Bill No. 1282, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 13m of chapter XVII (MCL 777.13m), as amended by 2003 PA 311.

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

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

Alan L. Cropsey Chairperson

# To Report Out:

Yeas: Senators Cropsey, Bishop, Sanborn, Patterson, Schauer, Whitmer and Brater

Navs: None

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

#### COMMITTEE ATTENDANCE REPORT

The Committee on Judiciary submitted the following:

Meeting held on Tuesday, May 30, 2006, at 1:00 p.m., Room 210, Farnum Building

Present: Senators Cropsey (C), Bishop, Sanborn, Patterson, Schauer, Whitmer and Brater

The Committee on Commerce and Labor reported

#### House Bill No. 6034, entitled

A bill to amend 1995 PA 24, entitled "Michigan economic growth authority act," by amending section 3 (MCL 207.803), as amended by 2006 PA 21.

With the recommendation that the bill pass.

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

Jason E. Allen Chairperson

To Report Out:

Yeas: Senators Allen, Toy, Schauer and Olshove

Nays: None

The bill was referred to the Committee of the Whole.

#### COMMITTEE ATTENDANCE REPORT

The Committee on Commerce and Labor submitted the following: Meeting held on Tuesday, May 30, 2006, at 3:00 p.m., Room 100, Farnum Building

Present: Senators Allen (C), Toy, Schauer and Olshove

Excused: Senator McManus

# **Scheduled Meetings**

Agriculture, Forestry and Tourism - Thursday, June 1, 8:30 a.m., Room 110, Farnum Building (373-1635)

Education - Thursday, June 1, 11:00 a.m. or later immediately following session, Room 210, Farnum Building (373-6920)

Local, Urban and State Affairs - Thursday, June 8, 1:00 p.m., Room 110, Farnum Building (373-1707)

Michigan Capitol Committee - Wednesday, June 7, 12:00 noon, Rooms 402 and 403, Capitol Building (373-0289)

Senator Hammerstrom moved that the Senate adjourn.

The motion prevailed, the time being 11:03 a.m.

The President pro tempore, Senator Birkholz, declared the Senate adjourned until Thursday, June 1, 2006, at 10:00 a.m.

CAROL MOREY VIVENTI Secretary of the Senate