

**No. 20**  
**STATE OF MICHIGAN**  
**Journal of the Senate**  
**95th Legislature**  
**REGULAR SESSION OF 2010**

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Senate Chamber, Lansing, Tuesday, March 9, 2010.

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 not present.

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

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

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

Reverend Chris Lane of Central United Methodist Church of Traverse City offered the following invocation:

O God of all there is, conceiver of our better natures, we greet You in this new day thawing from the fallow of winter. As it brims with possibility for elevating the common good, we pause in this moment so that memory and imagination might be aligned with Your will and ways.

We remember people in this beautiful state and carry their longings into this room—from counties Keweenaw to Monroe—and are aware of the sacred worth of all. We not only remember who surrounds us here, but we imagine the collaboration and productivity possible in this chamber. We long for it, in fact, and ask that the wisdom You have placed within reach overcome obstacles of divided loyalty and limited resources.

May all who labor on this day in this place be given stamina and focus for all that is asked of them. May they be visited by inspiration not of their making. May their diligence in crafting legislation to benefit community more than individuals be truly honorable in Your sight, O God.

I pray on behalf of all of us in the name of Christ and in the name of all that is sacred. Amen.

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

Senator Cropsy entered the Senate Chamber.

### Recess

Senator Cropsy moved that the Senate recess subject to the call of the Chair.

The motion prevailed, the time being 10:04 a.m.

10:13 a.m.

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

During the recess, Senators Scott, Whitmer, Cassis, McManus, George, Nofs, Bishop, Brown, Jansen, Hardiman, Jelinek, Kahn, Pappageorge, Sanborn, Stamas, Thomas, Van Woerkom, Garcia and Gilbert entered the Senate Chamber.

A quorum of the Senate was present.

### Motions and Communications

Senator Cropsy moved that Senator Birkholz be excused from today's session.

The motion prevailed.

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

The motion prevailed.

The following communications were received and read:

Office of the Auditor General

March 4, 2010

Enclosed is a copy of the following audit report:

Financial audit of the Michigan Education Trust (MET) Plans B and C, a discretely presented component unit of the State of Michigan, for the fiscal years ended September 30, 2009 and September 30, 2008.

March 4, 2010

Enclosed is a copy of the following audit report:

Financial audit of the Michigan Education Trust (MET) Plan D, a discretely presented component unit of the State of Michigan, for the fiscal years ended September 30, 2009 and September 30, 2008.

Auditor General

The audit reports were referred to the Committee on Government Operations.

The following communication was received:  
Michigan Economic Development Corporation

March 8, 2010

Consistent with the requirements of Section 88k(8) of the Michigan Strategic Fund Act, specifically, MCL 125.2088k(8), I am writing to provide notice that the Strategic Economic Investment and Commercialization Board (the "SEIC Board") passed a resolution on March 3, 2010 permitting the proposed Accelerator Fund Program to proceed to a public hearing.

The public hearing is scheduled for March 22, 2010 beginning at 11:00 a.m., and will be held in the Lake Superior Conference Room of the Michigan Economic Development Corporation, located at 300 North Washington Square, Lansing, Michigan 48913. The public hearing will provide interested persons an opportunity to express any data, views or arguments regarding the proposed Accelerator Fund Program.

Copies of the Notice of Public Hearing, the Proposed Resolution, and the proposed request for proposals of the Accelerator Fund Program are attached for your review.

Stacey L. Carlson  
Paralegal

The communication was referred to the Secretary for record.

The Secretary announced that the following House bills were received in the Senate and filed on Thursday, March 4:  
**House Bill Nos. 5655 5656 5668 5825**

The Secretary announced that the following official bills were printed on Thursday, March 4, and are available at the legislative website:

**Senate Bill Nos. 1181 1182 1183 1184 1185 1186 1187 1188 1189 1190 1191 1192 1193 1194  
1195 1196 1197 1198 1199 1200 1201 1202 1203 1204 1205 1206 1207 1208  
1209 1210**  
**House Bill Nos. 5918 5919 5920 5921**

The Secretary announced that the following official bills and joint resolution were printed on Friday, March 5, and are available at the legislative website:

**House Bill Nos. 5922 5923 5924**  
**House Joint Resolution YY**

### Messages from the Governor

The following message from the Governor was received:

Date: March 8, 2010  
Time: 11:17 a.m.

To the President of the Senate:

Sir—I have this day approved and signed

**Enrolled Senate Bill No. 887 (Public Act No. 8), being**

An act to amend 1893 PA 206, entitled "An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes on property, and for the collection of taxes levied; making those taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale or forfeiture and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection with property delinquent for taxes; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal acts and parts of acts," by amending section 7d (MCL 211.7d), as amended by 2008 PA 585.

(Filed with the Secretary of State on March 8, 2010, at 3:36 p.m.)

Respectfully,  
Jennifer M. Granholm  
Governor

The following message from the Governor was received on March 4, 2010, and read:

EXECUTIVE ORDER  
No. 2010-2

**Department of Education  
Department of Energy, Labor, and Economic Growth  
Department of Natural Resources and Environment  
Department of Treasury**

**Creation of Michigan Finance Authority**

**Executive Reorganization**

WHEREAS, Section 1 of Article V of the Michigan Constitution of 1963 vests the executive power of the State of Michigan in the Governor;

WHEREAS, Section 2 of Article V of the Michigan Constitution of 1963 empowers the Governor to make changes in the organization of the executive branch or in the assignment of functions among its units that the Governor considers necessary for efficient administration;

WHEREAS, under current law the administrative functions of certain public finance authorities have been combined into a single work unit serving several authority boards, under the direction and supervision of the State Treasurer;

WHEREAS, there exist multiple public finance authorities, agencies, and commissions in multiple departments with the ability to finance and otherwise assist certain public and private facilities and activities;

WHEREAS, the Department of Treasury has the expertise to assist with authorities' investments, debt issuances, and debt management to ensure that these functions are accomplished in a coordinated, cost-efficient and effective manner;

WHEREAS, there is a continuing need to reorganize functions among state departments to ensure efficient administration and effectiveness of government;

NOW THEREFORE, I, Jennifer M. Granholm, Governor of the State of Michigan, by virtue of the power vested in the Governor by the Michigan Constitution of 1963 and Michigan law, order the following:

**I. DEFINITIONS**

As used in this Order:

A. "Civil Service Commission" means the commission required under Section 5 of Article XI of the Michigan Constitution of 1963.

B. "Department of Energy, Labor, and Economic Growth" means the principal department of state government created under Section 225 of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.325, and renamed by Executive Order 1996-2, MCL 445.2001, Executive Order 2003-18, MCL 445.2011 and Executive Order 2008-20, MCL 445.2025.

C. "Department of Natural Resources and Environment" means the principal department of state government created under Section 250 of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.350, and Section 501 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.501, as modified by Executive Order 1995-18, MCL 324.99903, and by Executive Order 2009-45.

D. "Department of Technology, Management, and Budget" means the principal department of state government created as the Department of Management and Budget under Section 121 of The Management and Budget Act, 1984 PA 431, MCL 18.1121, and renamed under Executive Order 2009-55.

E. "Department of Treasury" or "Department" means the principal department of state government created under Section 75 of 1965 PA 380, MCL 16.175.

F. "Michigan Finance Authority" or "Authority" means the public body corporate and politic created within the Department of Treasury under this Order.

G. "Michigan Forest Finance Authority" means the body corporate created within the Department of Natural Resources and Environment under Section 50503 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.50503.

H. "Michigan Higher Education Assistance Authority" means the authority created as an agency within the Department of Education under Section 1 of 1960 PA 77, MCL 390.951, and transferred to the Department of Treasury by Executive Order 1995-3, MCL 12.181, and modified by Executive Order 2002-12, MCL 12.193.

I. "Michigan Higher Education Facilities Authority" means the public body corporate and politic created as an agency and instrumentality of this state within the Department of Education under Section 3 of the Higher Education Facilities Authority Act, 1969 PA 295, MCL 390.923, and transferred to the Department of Treasury by Executive Order 1992-2, MCL 390, and modified by Executive Order 1995-2, MCL 12.181, and Executive Order 2002-12, MCL 12.193.

J. "Michigan Higher Education Student Loan Authority" means the public body corporate and politic created within the Department of Education under Section 3 of the Higher Education Loan Authority Act, 1975 PA 222, MCL 390.1153, and transferred to the Department of Treasury by Executive Order 1995-3, MCL 12.181, and modified by Executive Order 2002-12, MCL 12.193.

K. "Michigan Municipal Bond Authority" means the body corporate, separate and distinct from this state, created within the Department of Treasury under Sections 4 and 6 of the Shared Credit Rating Act, 1985 PA 227, MCL 141.1054 and 141.1056, and modified by Executive Order 2002-12, MCL 12.193.

L. "Michigan Public Educational Facilities Authority" means the public body corporate and politic created under Executive Order 2002-3, MCL 12.192, and modified by Executive Order 2002-12, MCL 12.193.

M. "Michigan State Housing Development Authority" means the public body corporate and politic created under Section 21 of the State Housing Development Authority Act of 1966, 1966 PA 346, MCL 125.1421.

N. "Michigan Strategic Fund" means the public body corporate and politic created under Section 5 of the Michigan Strategic Fund Act, 1984 PA 270, MCL 125.2005.

O. "Michigan Tobacco Settlement Finance Authority" means the public body corporate and politic created within the Department of Treasury under Section 4 of the Michigan Tobacco Settlement Finance Authority Act, 2005 PA 226, MCL 129.264.

P. "Michigan Underground Storage Tank Financial Assurance Authority" means the body corporate created within the Department of Management and Budget under Section 21523 of Part 215 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.21523, and transferred to the Department of Treasury under Executive Order 1995-24, MCL 12.182.

Q. "State Budget Director" means the individual appointed by the Governor under Section 321 of The Management and Budget Act, 1984 PA 431, MCL 18.1321.

R. "State Higher Education Facilities Commission" means the entity created under Section 1 of 1964 PA 941, MCL 390.941, and transferred to the Department of Education by Section 307 of the Executive Organization Act of 1965 PA 380, MCL 16.407.

S. "State Hospital Finance Authority" means the public body corporate and politic of this state created within the Department of Treasury under Section 11 of the Hospital Finance Authority Act, 1969 PA 38, MCL 331.41.

T. "State Land Bank Fast Track Authority" means the authority created as a public body corporate and politic within the Department of Energy, Labor, and Economic Growth under Section 15 of the Land Bank Fast Track Act, 2003 PA 258, MCL 124.765.

U. "Type I transfer" means that phrase as defined under Section 3 of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.103.

V. "Type II transfer" means that phrase as defined under Section 3 of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.103.

## **II. CREATION OF THE MICHIGAN FINANCE AUTHORITY**

A. The Michigan Finance Authority is created as an autonomous public body corporate and politic within the Department of Treasury.

B. The Authority shall exercise its powers, duties, and functions independently of the Department. The budgeting, procurement, and related management functions of the Authority shall be performed under the direction and supervision of the State Treasurer. The Michigan Finance Authority shall be staffed and assisted by personnel from the Department of Treasury as a single work unit under the direction and supervision of the State Treasurer, subject to available funding.

C. The powers, duties, and functions of the Authority are vested in a board of directors. The Board of Directors of the Authority shall consist of the following 7 members:

1. The State Treasurer, who may designate a representative from within the Department to serve as a voting member of the Board of Directors of the Authority in the absence of the State Treasurer.

2. Six directors appointed by the Governor, with the advice and consent of the Senate, including all of the following:

a. One resident of this state with experience in housing and community development issues or relating to public finance.

b. One resident of this state with experience in education issues, including but not limited to, issues related to public school districts, public community colleges, or public universities, or relating to public finance.

c. One resident of this state with experience in economic development issues or relating to public finance.

d. One resident of this state with experience in natural resources and environmental issues or relating to public finance.

e. One resident of this state with experience in issues relating to hospitals or other health facilities or relating to public finance.

f. One other resident of this state.

D. Not more than 3 of the members of the Board of Directors of the Michigan Finance Authority shall be members of the same political party. Members of the Board of Directors of the Authority shall discharge their duties in a nonpartisan manner, with good faith, and with that degree of diligence, care, and skill that an ordinarily prudent person would

exercise under similar circumstances in a like position. In discharging the duties, a member of the Board of Directors of the Authority, when acting in good faith, may rely upon the opinion of counsel for the Authority, upon the report of an independent appraiser selected with reasonable care by the Authority, or upon financial statements of the Authority represented to the member of the Board of Directors to be correct by the individual having charge of books or account of the Authority, or stated in a written report by a certified public accountant or firm of certified public accountants to fairly reflect the financial condition of the Authority.

E. Except as otherwise provided in this subsection, the members of the Board of Directors of the Authority shall be appointed for a term of 4 years. Of the 6 directors initially appointed, 3 directors shall be appointed for an initial term expiring on September 30, 2010, 1 director shall be appointed for an initial term expiring on September 30, 2011, 1 director shall be appointed for an initial term expiring on September 30, 2012, and 1 director shall be appointed for an initial term expiring on September 30, 2013.

F. A vacancy on the Board of Directors of the Authority occurring other than by expiration of a term shall be filled by the Governor in the same manner as the original appointment for the balance of the unexpired term. A member of the Board of Directors of the Authority may be reappointed for subsequent additional terms.

G. The State Treasurer shall serve as the Chairperson of the Michigan Finance Authority. The Board of Directors may select a member of the Board of Directors to serve as the Vice-Chairperson of the Authority.

### **III. OPERATIONS OF THE MICHIGAN FINANCE AUTHORITY**

A. The Board of Directors of the Authority shall adopt procedures consistent with Michigan law and this Order governing its organization and operations.

B. A majority of the members of the Board of Directors of the Authority serving constitutes a quorum for the transaction of the business of the Authority. The Board of Directors of the Authority shall act by a majority vote of the serving members of the Board of Directors.

C. The Board of Directors of the Authority shall meet at the call of the Chairperson and as may be provided in procedures adopted by the Board of Directors.

D. The Board of Directors of the Authority may, as appropriate, make inquiries, studies, investigations, hold hearings, and receive comments from the public. The Board also may consult with outside experts in order to perform its duties, including, but not limited to, experts in the private sector, organized labor, government agencies, and at institutions of higher education.

E. The Board of Directors of the Authority may establish advisory workgroups composed of representatives of entities participating in Authority activities or other members of the public as deemed necessary by the Board of Directors of the Authority to assist the Authority in performing its duties and responsibilities. The Board of Directors of the Authority may adopt, reject, or modify any recommendations proposed by an advisory workgroup.

F. The Board of Directors of the Authority shall conduct all business at public meetings held in compliance with the Open Meetings Act, 1976 PA 267, MCL 15.261 to 15.275. Public notice of the time, date, and place of each meeting shall be given in the manner required by the Open Meetings Act, 1976 PA 267, MCL 15.261 to 15.275.

G. Members of the Board of Directors of the Authority shall serve without compensation, but may receive reimbursement for necessary travel and expenses consistent with relevant statutes and the rules and procedures of the Civil Service Commission and the Department of Technology, Management, and Budget, subject to available funding.

H. The Michigan Finance Authority may hire or retain contractors, sub-contractors, advisors, consultants, and agents, and may make and enter into contracts necessary or incidental to the exercise of the powers of the Authority and the performance of its duties as the Board of Directors of the Authority deems advisable and necessary, in accordance with this Order, other Michigan law, and the rules and procedures of the Civil Service Commission and the Department of Technology, Management, and Budget.

I. The Authority may accept donations of labor, services, or other things of value from any public or private agency or person.

J. The Board of Directors of the Authority may delegate to 1 or more agents or employees those powers or duties with the limitations as the Board of Directors of the Authority considers proper.

K. Members of the Board of the Directors of the Authority shall refer all legislative and media contacts relating to the Authority to the Department of Treasury.

L. As of the effective date of this Order, the Authority is designated and authorized to receive and utilize all allocations and carry forward allocations of the tax credit, tax-exempt, or taxable obligations that may be issued to finance projects subject to the authority of the Michigan Finance Authority under this Order as permitted under the federal Internal Revenue Code of 1986, as amended, or as otherwise permitted by law.

### **IV. TRANSFERS TO MICHIGAN FINANCE AUTHORITY**

#### **A. Michigan Forest Finance Authority**

1. Except as otherwise provided in Sections IV.A.2 and V.A.1, the authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the Michigan Forest Finance Authority, and the Board of Directors of the Michigan Forest Finance Authority relating to borrowing money and the issuance of bonds or notes are transferred to the Michigan Finance Authority, including, but not limited

to, the authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the Michigan Forest Finance Authority relating to borrowing money and the issuance of bonds or notes under Part 505 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.50501 to 324.50522.

2. The position of State Forester under Section 50502 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.50502, and powers, duties, functions and responsibilities otherwise performed by the State Forester shall remain with the Department of Natural Resources and Environment. The position of Executive Director of the Michigan Forest Finance Authority provided for under Section 50505 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.50505, is abolished.

3. The Board of Directors of the Michigan Forest Finance Authority is abolished.

#### **B. Michigan Higher Education Assistance Authority**

1. The authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the Michigan Higher Education Assistance Authority not transferred to the Department of Treasury under Section VI.A. are transferred to the Michigan Finance Authority, including, but not limited to, the authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the Michigan Higher Education Assistance Authority under the Michigan Higher Education Assistance Authority Act, 1960 PA 77, MCL 390.951 to 390.961.

2. As deemed necessary or appropriate by the Michigan Finance Authority, the Michigan Finance Authority may act in the place and stead of the Michigan Higher Education Assistance Authority and may take all actions that the Michigan Higher Education Assistance Authority could have taken under existing agreements and may execute conveyances, assignments, continuations, and transfers, or take other action as may be necessary or appropriate to implement the transfer under this Section IV.B.

3. The governing body of the Michigan Higher Education Assistance Authority is abolished.

#### **C. Michigan Higher Education Facilities Authority**

1. The authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the Michigan Higher Education Facilities Authority and of the members of the Michigan Higher Education Facilities Authority are transferred to the Michigan Finance Authority, including, but not limited to, the authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the Michigan Higher Education Facilities Authority under the Michigan Higher Education Facilities Authority Act, 1969 PA 295, MCL 390.921.

2. The governing body of the Michigan Higher Education Facilities Authority authorized under Section 3 of the Michigan Higher Education Facilities Authority Act, 1969 PA 295, MCL 390.923, is abolished.

#### **D. Michigan Higher Education Student Loan Authority**

1. The authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the Michigan Higher Education Student Loan Authority and of the members of the Michigan Higher Education Student Loan Authority are transferred to the Michigan Finance Authority, including, but not limited to, the authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the Michigan Higher Education Student Loan Authority under the Higher Education Loan Authority Act, 1975 PA 222, MCL 390.1151 to 390.1165.

2. The governing body of the Michigan Higher Education Student Loan Authority authorized under Section 3 of the Higher Education Loan Authority Act, 1975 PA 222, MCL 390.1153, is abolished.

#### **E. Michigan Municipal Bond Authority**

1. The authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the Michigan Municipal Bond Authority and of the members of the Board of Trustees of the Michigan Municipal Bond Authority, are transferred to the Michigan Finance Authority, including, but not limited to, the authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the Michigan Municipal Bond Authority under all of the following:

- a. The Shared Credit Rating Act, 1985 PA 227, MCL 141.1051 to 141.1076.
- b. Section 2b of 1855 PA 105, MCL 21.142b.
- c. Section 7 of the Revenue Bond Act of 1933, 1933 PA 94, MCL 141.107.
- d. Section 17a of the Glenn Steil Revenue Sharing Act of 1971, 1971 PA 140, MCL 141.917a.
- e. Sections 3 and 4 of the Safe Drinking Water Financial Assistance Act, 2000 PA 147, MCL 141.1453 and 141.1454.
- f. Section 415(3) of the Revised Municipal Finance Act, 2001 PA 34, MCL 141.2415(3).
- g. Section 10n of 1951 PA 51, MCL 247.660n.
- h. Part 52 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.5201 to 324.5206.
- i. Part 53 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.5301 to 324.5316.
- j. Part 54 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.5401 to 324.5419.

- k. Part 197 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.19701 to 324.19708.
- l. Section 1225(3) of The Revised School Code, 1976 PA 451, MCL 380.1225(3).
- m. Article I of The State School Aid Act of 1979, 1979 PA 94, MCL 388.1601 to 388.1619.
- n. Sections 9 and 14 of the School Bond Qualification, Approval, and Loan Act, 2005 PA 92, MCL 388.1929 and 388.1934.

2. The Board of Trustees of the Michigan Municipal Bond Authority is abolished.

#### **F. Michigan Public Educational Facilities Authority**

1. The authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds, of the Michigan Public Educational Facilities Authority and of the members of the Board of Trustees of the Michigan Public Educational Facilities Authority are transferred to the Michigan Finance Authority, including, but not limited to, the authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the Michigan Public Educational Facilities Authority under Executive Order 2002-3, MCL 12.192.

2. The Board of Trustees of the Michigan Public Educational Facilities is abolished.

#### **G. Michigan Strategic Fund**

1. The authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the Michigan Strategic Fund, with respect to the construction, rehabilitation, refurbishing or equipping of facilities that are occupied or used or to be occupied by or to be used by or for the benefit of a public school or a private school, are transferred from the Michigan Strategic Fund to the Michigan Finance Authority, including but not limited to, the authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the Michigan Strategic Fund relating to the construction, rehabilitation, refurbishing or equipping of facilities that are occupied or used or to be occupied by or to be used by or for the benefit of a public school or a private school under the Michigan Strategic Fund Act, 1984 PA 270, MCL 125.2001 to 125.2094.

2. Upon the completion of the transfers under Section IV.G.1, the Michigan Strategic Fund shall continue to exercise the authority, powers, duties, functions, and responsibilities of the Michigan Strategic Fund not transferred to the Department of Treasury as an autonomous entity within the Department.

3. The transfers under Section IV.G.1 are subject to any agreement executed prior to the issuance of this Order with note holders, bond holders, or issuers of instruments that are guaranteed.

4. Nothing in this Order shall be construed to impair the obligation of any bond or note issued by the Michigan Strategic Fund. Bonds and notes issued or to be issued by the Michigan Strategic Fund or on behalf of the Michigan Strategic Fund are obligations of the Michigan Strategic Fund and not obligations of this state.

#### **H. Michigan Tobacco Settlement Finance Authority**

1. The authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the Michigan Tobacco Settlement Finance Authority and of the Board of Directors of the Michigan Tobacco Settlement Finance Authority are transferred to the Michigan Finance Authority, including, but not limited to, the authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds, of the Michigan Tobacco Settlement Finance Authority under the Michigan Tobacco Settlement Finance Authority Act, 2005 PA 226, MCL 129.261 to 129.279.

2. The Board of Directors of the Michigan Tobacco Settlement Finance Authority is abolished.

#### **I. Michigan Underground Storage Tank Financial Assurance Authority**

1. The authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the Michigan Underground Storage Tank Financial Assurance Authority and of the Board of Directors of the Michigan Underground Storage Tank Financial Assurance Authority are transferred to the Michigan Finance Authority, including, but not limited to, the authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the Michigan Underground Storage Tank Financial Assurance Authority under Part 215 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.21501 to 324.21563.

2. The Board of Directors of the Michigan Underground Storage Tank Financial Assurance Authority is abolished.

#### **J. State Higher Education Facilities Commission**

1. The authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the State Higher Education Facilities Commission and of the members of the State Higher Education Facilities Commission are transferred to the Michigan Finance Authority, including, but not limited to, the authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the State Higher Education Facilities Commission under 1964 PA 233, MCL 390.941 to 390.948.

2. The governing body of the State Higher Education Facilities Commission is abolished.

#### **K. State Hospital Finance Authority**

1. The authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the State Hospital Finance Authority and of the members of the State



Hospital Finance Authority are transferred to the Michigan Finance Authority, including, but not limited to, the authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the State Hospital Finance Authority under all of the following:

- a. The Hospital Finance Authority Act, 1969 PA 38, MCL 331.41 to 331.84.
  - b. Section 21522 of the Public Health Code, 1978 PA 368, MCL 333.21552.
2. The governing body of the State Hospital Finance Authority is abolished.

**L. State Land Bank Fast Track Authority**

1. The authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the State Land Bank Fast Track Authority with respect to issuance of bonds or notes by the State Land Bank Fast Track Authority, including, but not limited to, the Land Bank Fast Track Authority Act, 2003 PA 258, MCL 124.751 to 124.774, or subject to Section 7gg(3)(b) of The General Property Tax Act, 1893 PA 206, MCL 211.7gg(3)(b), are transferred to the Michigan Finance Authority and are to be exercised by the members of the Michigan Finance Authority.

**V. TRANSFERS TO DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENT**

**A. Michigan Forest Finance Authority**

1. The authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the Michigan Forest Finance Authority and of the Board of Directors of the Michigan Forest Finance Authority not otherwise transferred to the Michigan Finance Authority under Section IV.A are transferred by Type II transfer from the Michigan Forest Finance Authority to the Department of Natural Resources and Environment.

**VI. TRANSFERS TO DEPARTMENT OF TREASURY**

**A. Michigan Higher Education Assistance Authority**

1. Except as otherwise provided in this Order, the authority, powers, duties, functions, programs, responsibilities, rights, properties, and obligations pertaining to rule-making, adjudication, licensing and registration and the prescription of rules, rates, regulations and standards of the Michigan Higher Education Assistance Authority under all of the following are transferred to the Department of Treasury:

- a. 1964 PA 208, MCL 390.971 to 390.981 (state competitive scholarships).
- b. 1966 PA 313, MCL 390.991 to 390.997a (tuition grants).
- c. The Michigan Nursing Scholarship Act, 2002 PA 591, MCL 390.1181 to 390.1189.
- d. 1986 PA 102, MCL 390.1281 to 390.1288 (part-time, independent student grants).
- e. 1986 PA 303, MCL 390.1321 to 390.1332 (Michigan Work-Study Program).
- f. The Children of Veterans Tuition Grant, 2005 PA 248, MCL 390.1341 to 390.1346.
- g. 1986 PA 288, MCL 390.1371 to 390.1382 (Michigan Work-Study Program).
- h. 1986 PA 273, MCL 390.1401 to 390.1409 (Michigan Educational Opportunity Grant Program).
- i. 20 USC 1070d-31 to 1070d-41 (Robert C. Byrd Honors Scholarship Program).

2. As deemed necessary or appropriate by the State Treasurer, the State Treasurer may act in the place and stead of the Michigan Higher Education Assistance Authority and may take all actions that the Michigan Higher Education Assistance Authority could have taken under existing agreements and may execute conveyances, assignments, continuations, and transfers, or take other action, as necessary or appropriate to implement the transfers to the Department of Treasury under this Section VI.A.

**B. State Land Bank Fast Track Authority**

1. Except as provided in this Order, the State Land Bank Fast Track Authority created under Section 15 of the Land Bank Fast Track Authority Act, 2003 PA 258, MCL 124.765, is transferred by Type I transfer from the Department of Energy, Labor, and Economic Growth to the Department of Treasury.

**C. Michigan State Housing Development Authority**

1. The Michigan State Housing Development Authority created under Section 21 of the State Housing Development Authority Act, 1966 PA 346, MCL 125.1421, is transferred intact from the Department of Energy, Labor, and Economic Growth to the Department of Treasury.

2. Except for the transfer of the Michigan State Housing Development Authority under Section VI.C.1, nothing in this Order shall alter the statutory authority, powers, duties, functions, and responsibilities of the Michigan State Housing Development Authority, which shall remain with the Michigan State Housing Development Authority. All records, property, personnel, monies, and funds of the Michigan State Housing Development Authority, including, but not limited to, bonds, notes, reserves, and trust funds, remain under the control of the Michigan State Housing Development Authority, subject to any agreements of the Michigan State Housing Development Authority with note and bond holders.

3. The Michigan State Housing Development Authority shall exercise its powers, duties, and functions independently of the Department. Consistent with Executive Order 2008-20, MCL 445.2025, the budgeting, procurement, and related management functions of the Michigan State Housing Development Authority shall be performed under the direction and supervision of the State Treasurer. When directing and supervising the budgeting, procurement, and related management functions of the Michigan State Housing Development Authority, the State Treasurer shall remain cognizant of the

rights of the holders of Michigan State Housing Development Authority bonds or notes. Certain Michigan State Housing Development Authority bond or note contracts may require the Michigan State Housing Development Authority to either maintain sufficient personnel or contract for services to plan Michigan State Housing Development Authority programs and to supervise enforcement and, where necessary, foreclosure of Michigan State Housing Development Authority mortgage agreements.

4. The transfer of the Michigan State Housing Development Authority under Section VI.C.1 is subject to any agreement executed prior to the issuance of this Order with note holders, bond holders, or issuers of instruments that are guaranteed.

5. Nothing in this Order shall be construed to affect the status of moneys of the Michigan State Housing Development Authority. Moneys of the Michigan State Housing Development Authority are not moneys of this state and shall continue to be non-state funds. State funds appropriated to the Michigan State Housing Development Authority lose their identity as state funds upon payment to the Michigan State Housing Development Authority and become public funds of the Michigan State Housing Development Authority under the control of the Michigan State Housing Development Authority. Funds established by or within the Michigan State Housing Development Authority are public trust funds administered by the Michigan State Housing Development Authority.

6. Nothing in this Order shall be construed to impair the obligation of any bond or note issued by or on behalf of the Michigan State Housing Development Authority. Bonds and notes issued by or on behalf of the Michigan State Housing Development Authority are obligations of the Michigan State Housing Development Authority and not obligations of this state.

7. The Michigan State Housing Development Authority may contract with the Department for the purpose of maintaining the rights and interests of the Michigan State Housing Development Authority. Subject to available appropriations, if requested by the Michigan State Housing Development Authority, the Department shall provide staff and other support to the Michigan State Housing Development Authority to assist with its duties, powers, and responsibilities.

8. The Michigan State Housing Development Authority and the Department shall actively cooperate to identify and implement administrative efficiencies and economies at the Michigan State Housing Development Authority and the Department of Treasury. The Michigan State Housing Development Authority and the Department also shall coordinate activities relating to investments of the Michigan State Housing Development Authority when responsibilities relating to investments are vested in the State Treasurer or the Department of Treasury under the State Housing Development Authority Act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c.

## **VII. IMPLEMENTATION OF TRANSFERS**

A. The State Treasurer shall provide executive direction and supervision for the implementation of all transfers to the Department of Treasury and the Michigan Finance Authority under this Order. The Director of the Department of Natural Resources and Environment shall provide executive direction and supervision for the implementation of all transfers to the Department of Natural Resources and Environment under this Order.

B. The State Treasurer shall administer the functions transferred to the Department of Treasury under this Order in such ways as to promote efficient administration and shall make internal organizational changes as may be administratively necessary to complete the realignment of responsibilities under this Order. The Michigan Finance Authority shall administer the functions transferred to the Authority under this Order in such ways as to promote efficient administration and shall make internal organizational changes as may be administratively necessary to complete the realignment of responsibilities under this Order. The Director of the Department of Natural Resources and Environment shall administer the functions transferred to the Department of Natural Resources and Environment under this Order in such ways as to promote efficient administration and shall make internal organizational changes as may be administratively necessary to complete the realignment of responsibilities under this Order.

C. Consistent with Executive Order 2002-12, MCL 12.193, the State Treasurer shall serve as the appointing authority for the state classified civil service employees performing functions for the Michigan Finance Authority.

D. The State Treasurer shall identify the public finance positions to be consolidated into the Michigan Finance Authority. This paragraph does not affect public finance positions at the Michigan State Housing Development Authority.

E. The State Treasurer shall, in the State Treasurer's discretion, ensure that the staff resources available to the Authority are sufficient to perform the functions vested in the Authority as provided for by law, subject to available funding.

F. Subject to available appropriations, if requested by the Authority, the Department shall provide staff and other support to the Authority sufficient to carry out its duties, powers, and responsibilities.

G. To the extent that there are any agreements between the Authority and the Department or any authority affected by this Order, they shall be consistent with this Order and documented by a memorandum of understanding between the State Treasurer and the Authority.

H. All departments and agencies of state government shall provide full cooperation to the Michigan Finance Authority in the performance of its duties, powers, and responsibilities.

I. For the purpose of implementing this Order or facilitating the performance of staff functions and upon the request of the Michigan Finance Authority, the State Treasurer may enter into a written agreement, including a service level agreement, with any other department, agency, authority, or state entity regarding the performance functions for the Michigan Finance Authority.

J. The State Treasurer shall immediately initiate coordination with departments, agencies, authorities, and entities within the executive branch of state government to facilitate the transfers to the Department of Treasury under this Order. Each principal department affected by the transfers under this Order shall issue, after consultation with the State Treasurer, a memorandum of record identifying any pending settlements, issues of compliance with applicable federal and state laws and regulations, or other obligations to be resolved by the transferring department related to the transfers under this Order.

K. Departments, agencies, and state officers within the executive branch of state government shall fully and actively cooperate with the State Treasurer in the implementation of this Order. The State Treasurer may request the assistance of other departments, agencies, and state officers with respect to personnel, budgeting, procurement, telecommunications, information systems, legal services, and other issues related to implementation of the transfers under this Order, and the departments and agencies shall provide the assistance requested.

L. All records, property, grants, and unexpended balances of appropriations, allocations, and other funds used, held, employed, available or to be made available to any entity other than the Michigan State Housing Development Authority for the authority, activities, powers, duties, functions, and responsibilities transferred under this Order to the Department are transferred to the Department. All records, property, grants, and unexpended balances of appropriations, allocations, and other funds used, held, employed, available or to be made available to any entity for the authority, activities, powers, duties, functions, and responsibilities transferred under this Order to the Authority are transferred to the Authority. All records, property, grants, and unexpended balances of appropriations, allocations, and other funds used, held, employed, available or to be made available to any entity for the authority, activities, powers, duties, functions, and responsibilities transferred under this Order to the Department of Natural Resources and Environment are transferred to the Department of Natural Resources and Environment.

M. All property subject to transfer to the Authority under this Order shall be transferred to and shall be the property of the Authority, subject to any liens, restrictions and limitations, provided in this Order. Nothing in this Order shall be construed to impair the obligation of any bond, note, or contract authorized, issued, or existing on the date of this Order.

N. The transfers to the Michigan Finance Authority under this Order are subject to any agreement executed prior to the issuance of this Order with note holders, bond holders or issuers of instruments that are guaranteed.

O. The Authority shall acquire and succeed to all the rights, properties, obligations and duties under the provisions of law, including, without limitation, all allocations and carry forward allocations of the amount of tax credit, taxable, and tax-exempt obligations that may be issued under the federal Internal Revenue Code of 1986, as amended, or as otherwise provided by law.

P. The Authority shall assume and be liable for all of the obligations, promises, covenants, commitments, and other requirements under law of the powers transferred to the Authority under this Order and shall perform all of the duties and obligations and shall be entitled to all of the rights of the entities transferred under any of their agreements, resolutions, indentures, or other instruments of law.

Q. All actions, commitments, or proceedings undertaken for all bond projects for which a declaration of official intent to reimburse, an inducement resolution, or a bond authorizing resolution has been adopted shall remain valid and effective upon assumption by the Authority under this Order. All actions, commitments, or proceedings in the process of being undertaken by but not yet a commitment or obligation may be undertaken and completed by the Authority as provided in this Order or other applicable law and in any agreements. Actions undertaken and completed by the Authority under this paragraph shall be considered to be the actions of authorities on whose behalf the Authority has acted.

R. The State Treasurer may delegate within the Department of Treasury a duty or power conferred on the State Treasurer by this Order or by other law, and the individual to whom the duty or power is delegated may perform the duty or exercise the power at the time and to the extent that the duty or power is delegated by the State Treasurer. The Michigan Finance Authority may delegate within the Michigan Finance Authority or, with the consent of the State Treasurer, the Department of Treasury, a duty or power conferred on the Michigan Finance Authority by this Order or by other law, and the individual to whom the duty or power is delegated may perform the duty or exercise the power at the time and to the extent that the duty or power is delegated by the Michigan Finance Authority.

### **VIII. MISCELLANEOUS**

A. The State Budget Director shall determine and authorize the most efficient manner possible for handling financial transactions and records in this state's financial management system necessary to implement this Order.

B. Any suit, action, or other proceeding lawfully commenced by, against, or before any entity affected by this Order shall not abate by reason of the taking effect of this Order. Any suit, action, or other proceeding may be maintained by, against, or before the appropriate successor of any entity affected by this Order.

C. All rules, regulations, orders, contracts, and agreements relating to the functions transferred under this Order lawfully adopted prior to the effective date of this Order shall continue to be effective until revised, amended, repealed, or rescinded.

D. This Order shall not abate any criminal action commenced by this state prior to the effective date of this Order.

E. The invalidity of any portion of this Order shall not affect the validity of the remainder of this Order, which may be given effect without any invalid portion. Any portion of this Order found invalid by a court or other entity with proper jurisdiction shall be severable from the remaining portions of this Order.

In fulfillment of the requirements under Section 2 of Article V of the Michigan Constitution of 1963, the provisions of this Order are effective May 30, 2010 at 12:01 a.m.

[SEAL]

Given under my hand this 4th day of March, in the year of our Lord, two thousand and ten.

Jennifer M. Granholm  
Governor

By the Governor:  
Terri L. Land  
Secretary of State

The executive order was referred to the Committee on Government Operations.

The following messages from the Governor were received and read:

March 5, 2010

I respectfully submit to the Senate, pursuant to Section 6 of Article 5 of the Michigan Constitution of 1963, the following appointments and reappointments to office under Section 22211 of the Public Health Code, 1978 PA 368, MCL 333.22211:

**Certificate of Need Commission**

Mr. Brian A. Klott, a Republican, of 44001 Basswood Drive, Sterling Heights, Michigan 48314, county of Macomb, succeeding Thomas M. Smith, whose term will expire, is appointed to represent a company that is self-insured for health coverage, for a term commencing April 10, 2010 and expiring April 9, 2013.

Ms. Gay L. Landstrom, a Democrat, of 1705 Ruddiman Drive, North Muskegon, Michigan 49445, county of Muskegon, succeeding Dorothy Deremo, whose term has expired, is appointed to represent nurses, for a term commencing March 5, 2010 and expiring January 1, 2013.

Mr. James B. Falahee, Jr., a Republican, of 7463 Cottage Oak Drive, Portage, Michigan 49024, county of Kalamazoo, is reappointed to represent hospitals, for a term expiring April 9, 2013.

Mr. Edward B. Goldman, a Democrat, of 1944 Boulder Drive, Ann Arbor, Michigan 48104, county of Washtenaw, is reappointed to represent hospitals, for a term expiring April 9, 2013.

March 5, 2010

I respectfully submit to the Senate, pursuant to Section 6 of Article 5 of the Michigan Constitution of 1963, the following appointments to office under Section 2 of 1969 PA 26, MCL 390.392:

**Lake Superior State University Board of Control**

Mr. Douglas R. Bovin of 16544 DD Road, Wetmore, Michigan 49895, county of Alger, succeeding Barbara Cliff, who has resigned, is appointed to represent the general public, for a term commencing March 5, 2010 and expiring January 27, 2018.

Mr. James P. Curran of 821 Roxburgh, East Lansing, Michigan 48823, county of Ingham, succeeding Charles Schmidt, whose term has expired, is appointed to represent the general public, for a term commencing March 5, 2010 and expiring January 27, 2018.

March 5, 2010

I respectfully submit to the Senate, pursuant to Section 6 of Article 5 of the Michigan Constitution of 1963, the following reappointments to state office pursuant to Section 28 of Article 5 of the Michigan Constitution of 1963 and Section 3 of 1964 PA 286, MCL 247.803:

**State Transportation Commission**

Ms. Linda M. Atkinson, a Democrat, of N13927 Newberg Road, Channing, Michigan 49815, county of Dickinson, is reappointed for a term expiring December 21, 2012.

Mr. Jerrold M. Jung, an Independent, of 111 Willits Street, #402, Birmingham, Michigan 48009, county of Oakland, is reappointed for a term expiring December 21, 2012.

Sincerely,  
Jennifer M. Granholm  
Governor

The appointments were referred to the Committee on Government Operations.

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

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

- Senate Bill No. 800**
- Senate Bill No. 1091**
- House Bill No. 4932**
- Senate Bill No. 1030**
- Senate Bill No. 1135**

The motion prevailed.

The President, Lieutenant Governor Cherry, resumed the Chair.

The following bill was read a third time:

**Senate Bill No. 800, 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 5 (MCL 52.205), as amended by 2006 PA 569.

The question being on the passage of the bill,

Senator Prusi offered the following amendment:

1. Amend page 5, line 25, by striking out all of subsection (7).

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

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 93**

**Yeas—15**

Anderson	Cherry	Jacobs	Switalski
Barcia	Clark-Coleman	Olshove	Thomas
Basham	Gleason	Prusi	Whitmer
Brater	Hunter	Scott	

**Nays—21**

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

**Excused—2**

Birkholz	Clarke
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**Not Voting—0**

In The Chair: President

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. 94****Yeas—25**

Allen	George	Kahn	Richardville
Barcia	Gilbert	Kuipers	Sanborn
Bishop	Hardiman	McManus	Stamas
Brown	Jacobs	Nofs	Switalski
Cassis	Jansen	Pappageorge	Thomas
Cropsey	Jelinek	Patterson	Van Woerkom
Garcia			

**Nays—11**

Anderson	Cherry	Hunter	Scott
Basham	Clark-Coleman	Olshove	Whitmer
Brater	Gleason	Prusi	

**Excused—2**

Birkholz	Clarke
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**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

The following bill was read a third time:

**Senate Bill No. 1091, entitled**

A bill to amend 1965 PA 285, entitled "Professional investigator licensure act," by amending section 4 (MCL 338.824), as amended by 2008 PA 146.

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. 95****Yeas—36**

Allen	Clark-Coleman	Jansen	Prusi
Anderson	Cropsey	Jelinek	Richardville
Barcia	Garcia	Kahn	Sanborn

Basham	George	Kuipers	Scott
Bishop	Gilbert	McManus	Stamas
Brater	Gleason	Nofs	Switalski
Brown	Hardiman	Olshove	Thomas
Cassis	Hunter	Pappageorge	Van Woerkom
Cherry	Jacobs	Patterson	Whitmer

**Nays—0**

**Excused—2**

Birkholz	Clarke
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**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

The following bill was read a third time:

**House Bill No. 4932, entitled**

A bill to amend 1931 PA 328, entitled “The Michigan penal code,” by amending section 310b (MCL 750.310b), as added by 1996 PA 539.

The question being on the passage of the bill,  
Senator Thomas offered the following substitute:  
Substitute (S-3).

The question being on the adoption of the substitute,  
Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 96**

**Yeas—15**

Anderson	Cherry	Hunter	Switalski
Basham	Clark-Coleman	Olshove	Thomas
Brater	Cropsey	Prusi	Whitmer
Cassis	Gleason	Scott	

**Nays—20**

Allen	George	Kahn	Patterson
Barcia	Gilbert	Kuipers	Richardville
Bishop	Jacobs	McManus	Sanborn
Brown	Jansen	Nofs	Stamas
Garcia	Jelinek	Pappageorge	Van Woerkom

**Excused—2**

Birkholz Clarke

**Not Voting—1**

Hardiman

In The Chair: President

The question being on the passage of the bill,  
The bill was defeated, a majority of the members serving not voting therefor, as follows:

**Roll Call No. 97****Yeas—19**

Allen	Gilbert	Jelinek	Richardville
Barcia	Gleason	Kahn	Sanborn
Bishop	Hardiman	McManus	Stamas
Garcia	Jacobs	Nofs	Van Woerkom
George	Jansen	Pappageorge	

**Nays—17**

Anderson	Cherry	Kuipers	Scott
Basham	Clark-Coleman	Olshove	Switalski
Brater	Cropsey	Patterson	Thomas
Brown	Hunter	Prusi	Whitmer
Cassis			

**Excused—2**

Birkholz Clarke

**Not Voting—0**

In The Chair: President

Senator Cropsey moved to reconsider the vote by which the bill was defeated.  
The question being on the motion to reconsider,  
Senator Cropsey moved that further consideration of the bill be postponed for today.  
The motion prevailed.

The following bill was read a third time:

**Senate Bill No. 1030, entitled**

A bill to amend 1996 PA 376, entitled "Michigan renaissance zone act," by amending section 3 (MCL 125.2683), as amended by 2008 PA 217.

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. 98****Yeas—36**

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

**Nays—0****Excused—2**

Birkholz                      Clarke

**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

The following bill was read a third time:

**Senate Bill No. 1135, entitled**

A bill to amend 1996 PA 376, entitled "Michigan renaissance zone act," by amending section 8d (MCL 125.2688d), as amended by 2008 PA 495.

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. 99****Yeas—36**

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

**Nays—0****Excused—2**

Birkholz                      Clarke

**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

By unanimous consent the Senate proceeded to the order of

**General Orders**

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

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

After some time spent therein, the Committee arose; and, the President, Lieutenant Governor Cherry, having resumed the Chair, the Committee reported back to the Senate, favorably and without amendment, the following bill:

**House Bill No. 5621, entitled**

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending section 53b (MCL 211.53b), as amended by 2008 PA 122.

The bill was placed on the order of Third Reading of Bills.

By unanimous consent the Senate proceeded to the order of

**Introduction and Referral of Bills**

Senators Brown and Allen introduced

**Senate Bill No. 1211, entitled**

A bill to amend 2007 PA 36, entitled "Michigan business tax act," (MCL 208.1101 to 208.1601) by adding section 465.

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

Senators Hunter, Barcia, Scott and Thomas introduced

**Senate Bill No. 1212, entitled**

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending sections 4706 and 8733 (MCL 600.4706 and 600.8733), section 4706 as added by 1988 PA 104 and section 8733 as amended by 2003 PA 95, and by adding section 2977.

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

Senators Hunter, Barcia, Scott and Thomas introduced

**Senate Bill No. 1213, entitled**

A bill to amend 1993 PA 327, entitled "Tobacco products tax act," by amending section 9 (MCL 205.429), as amended by 2004 PA 474.

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

Senators Hunter, Barcia, Scott and Thomas introduced

**Senate Bill No. 1214, entitled**

A bill to amend 2000 PA 403, entitled "Motor fuel tax act," by amending section 130 (MCL 207.1130).

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

Senators Hunter, Barcia, Scott and Thomas introduced

**Senate Bill No. 1215, entitled**

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 625n (MCL 257.625n), as amended by 2008 PA 539.

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

Senators Hunter, Barcia, Scott and Thomas introduced

**Senate Bill No. 1216, entitled**

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 7523 (MCL 333.7523), as amended by 2006 PA 130.

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

Senators Hunter, Barcia, Scott and Thomas introduced

**Senate Bill No. 1217, entitled**

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by amending sections 159n and 535a (MCL 750.159n and 750.535a), section 159n as added by 1995 PA 187 and section 535a as amended by 2006 PA 129.

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

**House Bill No. 5655, entitled**

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending section 4702 (MCL 600.4702), as amended by 2002 PA 142.

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 Judiciary.

**House Bill No. 5656, entitled**

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by amending section 159g (MCL 750.159g), as amended by 2009 PA 82.

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 Judiciary.

**House Bill No. 5668, entitled**

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending section 3801 (MCL 600.3801), as amended by 1988 PA 2.

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 Judiciary.

**House Bill No. 5825, entitled**

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 13n of chapter XVII (MCL 777.13n), as amended by 2008 PA 37.

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.

Senator Cropsey moved that rule 3.203 be suspended and that the bill be referred to the Committee of the Whole.

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

### Statements

Senators Brown, Whitmer 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 Brown's statement is as follows:

Mr. President, the struggle Michigan schools are facing to make ends meet has been well-documented. The state's extended recession and a budget in structural deficit have negatively affected the classroom. Everyone in this chamber has heard from teachers and administrators who have been asked to sacrifice pay and benefits for the good of their schools and their students. It is the severity of this situation that makes the story I read in Sunday's *Lansing State Journal* that much more frustrating. According to the report, staff at the Michigan Education Association received pay increases in 2009 ranging from 6.8 percent for the mailroom coordinator to an astounding 15 percent for the association president.

Michigan has been in recession for more than eight years. During that time, MEA officials have stood in the lobby of this building asking us—begging us—to find more money for schools. Yet, according to the article, from 2005 to 2009,

at the height of what they have described as a financial crisis for our school districts, MEA staffs have seen an average increase in pay of 19 percent

According to the article, the president's salary has increased by \$30,000 in the past two years alone. She now earns more than \$239,000 per year. The executive director earns more than \$215,000 per year. The vice president earns more than \$195,000 per year. The union secretary earns more than \$147,000 per year, and some administrative assistants earn more than \$80,000 per year.

According to the Teaching Portal website, the average salary for a Michigan teacher is \$54,000 per year. The average starting salary is \$35,000 per year. The teachers of Michigan, who are being asked to do more and receive less, deserve to know where their union dues are going.

Mr. President, I have given a portion of my salary back to the state every month since my first year. Will this significantly impact our budget crisis? Perhaps not. But it shows solidarity with our constituents who are struggling during these difficult times. I respectfully suggest that the MEA, a union which promotes solidarity, consider the message their own actions send to their members and to our state.

Senator Whitmer's statement is as follows:

The Senator from the 32nd District has risen each day over the last week to speak on behalf of upholding Michigan's drug immunity law. But I, for one, am not convinced. Michigan continues to be the only state in the nation that puts drug company profits ahead of justice for our people. As time goes on, Michigan families continue to suffer from injury and injustice while, at the same time, more and more dangerous and deceptive practices by drug manufacturers come to light.

We have already seen the devastation that drugs like Vioxx, Celebrex, and Rezulin have had on Michigan families, and we have heard the stories of residents like Leslie Richter and Leslie Wiltjer whose families suffered the devastating effects of these drugs. Now we have yet another deadly drug that has been on the market and another drug company that was aware of and tried to cover up its adverse effects.

A report recently released by the United States Senate Finance Committee found that the diabetes drug Avandia has been linked with tens of thousands of heart attacks. The report also noted that Avandia's manufacturer, drugmaker GlaxoSmithKline, knew of the risks for years but worked to keep them from the public—to hide them, fraud, and deceive the public. In fact, GlaxoSmithKline was under investigation at the same time that the representative from their company was here in Lansing testifying before the House Health Policy Committee against revising Michigan's drug immunity law.

These are people who you want to continue to shield? People who place more importance on dollar signs than death certificates? And while the Senator from Saginaw continues to assert that the federal Food and Drug Administration offers sufficient protection for consumers, the Senate Finance Committee's report also criticized the FDA saying the federal agency overrode safety concerns found by its own staff.

How do people get protection if not by our government? If our government is not looking out for them, isn't it incumbent on us to help them get justice? How many more people need to be harmed before we finally repeal this archaic law?

Michigan's drug immunity law is not protecting Michigan citizens. It instead treats our people like second-class citizens—second to every other state in our country. The law has not fostered any growth in drug manufacturing jobs in our state, which was once heralded as the primary intent. In fact, Michigan has lost drastic amounts of drug company jobs with the departure of Pfizer and other drug companies while this law continues to be on our books.

Upholding drug immunity in Michigan is not a reasonable economic decision, and it is certainly not a sound moral one. It is time to stand up for Michigan consumers once and for all. Repeal our drug immunity law, and return justice to the people we represent.

Senator Scott's statement is as follows:

Barbara Jordan once asked in a speech, "You know, folks, when do any of us do enough?" We work hard here to do what we believe is best for the people who sent us here to Lansing. You and I do a lot to try and make life better for all Michigan citizens. But I believe that we can do a lot more for the people who are struggling to keep their jobs, take care of their families, and pay their bills.

The high cost of auto insurance can be the straw that breaks the camel's back. If you can't pay your insurance and you can't drive your car, then you may lose your job. If you drive without insurance and get a ticket, then maybe you can't afford groceries or medicine that a family member needs. The high cost of insurance can add up quickly and send families over the edge. So let's work hard to change this situation and make sure that everyone has access to affordable auto insurance.

This past week, one of my staff members and a teacher were both involved in a hit-and-run accident. These are people who don't have insurance. Their cars were totaled. But if we make insurance affordable, people will be able to have insurance.

### Committee Reports

The Committee on Appropriations reported

**Senate Resolution No. 115.**

A resolution to memorialize the President of the United States and the United States Congress to ensure that local businesses located in Michigan and their employees be the primary beneficiaries of the American Recovery and Reinvestment Act funds appropriated to Michigan to stimulate the economy and create jobs.

(For text of resolution, see Senate Journal No. 14, p. 206.)

With the recommendation that the resolution be adopted.

Ron Jelinek  
Chairperson

To Report Out:

Yeas: Senators Jelinek, Pappageorge, Hardiman, Kahn, Cropsey, Garcia, George, Jansen, Brown, McManus, Stamas, Switalski, Anderson, Barcia, Brater, Cherry, Clark-Coleman and Scott

Nays: None

The resolution was placed on the order of Resolutions.

The Committee on Appropriations reported

**Senate Bill No. 1097, entitled**

A bill to amend 1976 PA 451, entitled "The revised school code," by amending section 11a (MCL 380.11a), as amended by 2006 PA 515.

With the recommendation that the bill pass.

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

Ron Jelinek  
Chairperson

To Report Out:

Yeas: Senators Jelinek, Pappageorge, Hardiman, Kahn, Cropsey, Garcia, George, Jansen, Brown, McManus, Stamas, Switalski, Anderson, Barcia, Brater, Cherry, Clark-Coleman and Scott

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Appropriations reported

**House Bill No. 5394, entitled**

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2010; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

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.

Ron Jelinek  
Chairperson

To Report Out:

Yeas: Senators Jelinek, Pappageorge, Hardiman, Kahn, Cropsey, Garcia, Jansen, Brown, McManus, Switalski, Anderson, Barcia, Brater, Cherry, Clark-Coleman and Scott

Nays: None

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

### COMMITTEE ATTENDANCE REPORT

The Committee on Appropriations submitted the following:

Meeting held on Wednesday, March 3, 2010, at 2:00 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building

Present: Senators Jelinek (C), Pappageorge, Hardiman, Kahn, Cropsey, Garcia, George, Jansen, Brown, McManus, Stamas, Switalski, Anderson, Barcia, Brater, Cherry, Clark-Coleman and Scott

The Committee on Hunting, Fishing and Outdoor Recreation reported

**House Bill No. 5481, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 48721 (MCL 324.48721), as added by 1995 PA 57.

With the recommendation that the substitute (S-2) be adopted and that the bill then pass.  
The committee further recommends that the bill be given immediate effect.

James A. Barcia  
Chairperson

To Report Out:

Yeas: Senators Barcia, Cropsey and Allen

Nays: None

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

The Committee on Hunting, Fishing and Outdoor Recreation reported

**House Bill No. 5662, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 43509, 43532, and 43533 (MCL 324.43509, 324.43532, and 324.43533), sections 43509 and 43533 as amended by 1996 PA 585 and section 43532 as amended by 2002 PA 108.

With the recommendation that the bill pass.

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

James A. Barcia  
Chairperson

To Report Out:

Yeas: Senators Barcia, Cropsey and Allen

Nays: None

The bill was referred to the Committee of the Whole.

#### COMMITTEE ATTENDANCE REPORT

The Committee on Hunting, Fishing and Outdoor Recreation submitted the following:

Meeting held on Thursday, March 4, 2010, at 1:00 p.m., Room 100, Farnum Building

Present: Senators Barcia (C), Cropsey and Allen

Excused: Senators McManus and Prusi

The Committee on Health Policy reported

**Senate Bill No. 26, entitled**

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 17048 (MCL 333.17048), as amended by 1996 PA 355.

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.

Thomas M. George  
Chairperson

To Report Out:

Yeas: Senators George, Allen, Clarke, Gleason and Jacobs

Nays: None

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

The Committee on Health Policy reported

**Senate Bill No. 27, entitled**

A bill to amend 1962 PA 192, entitled "Professional service corporation act," by amending sections 2 and 4 (MCL 450.222 and 450.224), section 2 as amended by 1998 PA 48 and section 4 as amended by 2000 PA 335.

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.

Thomas M. George  
Chairperson

To Report Out:

Yeas: Senators George, Allen, Clarke, Gleason and Jacobs

Nays: None

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

The Committee on Health Policy reported

**Senate Bill No. 28, entitled**

A bill to amend 1993 PA 23, entitled "Michigan limited liability company act," by amending sections 902 and 904 (MCL 450.4902 and 450.4904), section 902 as amended by 1997 PA 52 and section 904 as amended by 2000 PA 333.

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.

Thomas M. George  
Chairperson

To Report Out:

Yeas: Senators George, Allen, Clarke, Gleason and Jacobs

Nays: None

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

The Committee on Health Policy reported

**House Bill No. 5749, entitled**

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 17967 (MCL 333.17967), as added by 2008 PA 471.

With the recommendation that the bill pass.

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

Thomas M. George  
Chairperson

To Report Out:

Yeas: Senators George, Allen, Clarke, Gleason and Jacobs

Nays: None

The bill was referred to the Committee of the Whole.

#### COMMITTEE ATTENDANCE REPORT

The Committee on Health Policy submitted the following:

Meeting held on Wednesday, March 3, 2010, at 3:10 p.m., Senate Hearing Room, Ground Floor, Boji Tower

Present: Senators George (C), Allen, Clarke, Gleason and Jacobs

Excused: Senators Patterson and Sanborn

The Committee on Education reported

**Senate Bill No. 802, entitled**

A bill to amend 1980 PA 300, entitled "The public school employees retirement act of 1979," by amending sections 6 and 7 (MCL 38.1306 and 38.1307), as amended by 1995 PA 272.

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.

Wayne Kuipers  
Chairperson

To Report Out:

Yeas: Senators Kuipers, Van Woerkom and Cassis

Nays: Senator Whitmer

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

#### COMMITTEE ATTENDANCE REPORT

The Committee on Education submitted the following:

Meeting held on Thursday, March 4, 2010, at 2:30 p.m., Room 210, Farnum Building

Present: Senators Kuipers (C), Van Woerkom, Cassis, Whitmer and Gleason

## COMMITTEE ATTENDANCE REPORT

The Subcommittee on Department of Community Health submitted the following:  
Meeting held on Thursday, March 4, 2010, at 3:00 p.m., Senate Hearing Room, Ground Floor, Boji Tower  
Present: Senators Kahn (C), Pappageorge, George, Stamas, Cherry, Barcia and Switalski  
Excused: Senator Barcia

**Scheduled Meetings****Appropriations -****Subcommittees -**

**Community Colleges** - Thursday, March 11, 9:30 a.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-2768)

**Community Health Department** - Thursday, March 11, 3:00 p.m., Senate Hearing Room, Ground Floor, Boji Tower (373-2768)

**Economic Development and Economic Development and Regulatory Reform** - Tuesday, March 16, 1:00 p.m., Rooms 402 and 403, Capitol Building (373-2768)

**Economic Development and House Economic Development Appropriations Subcommittee** - Wednesday, March 10, 8:30 a.m., Room 426, Capitol Building (373-2768)

**Higher Education** - Thursday, March 11, 1:00 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-2768)

**K-12, School Aid, Education** - Wednesday, March 10, 2:00 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-2768)

**Natural Resources Department** - Thursday, March 11, 9:00 a.m., Rooms 402 and 403, Capitol Building (373-2768)

**Campaign and Election Oversight** - Wednesday, March 10, 12:00 noon, Room 405, Capitol Building (373-1725)

**Economic Development and Regulatory Reform and Economic Development Appropriations Subcommittee** - Tuesday, March 16, 1:00 p.m., Rooms 402 and 403, Capitol Building (373-7670)

**Energy Policy and Public Utilities** - Thursday, March 11, 1:00 p.m., Senate Hearing Room, Ground Floor, Boji Tower (373-7350)

**Health Policy** - Wednesday, March 10, 3:00 p.m., Senate Hearing Room, Ground Floor, Boji Tower (373-0793)

**Natural Resources and Environmental Affairs** - Wednesday, March 10, 1:00 p.m., Room 110, Farnum Building (373-3447)

Senator Cropsy moved that the Senate adjourn.  
The motion prevailed, the time being 11:02 a.m.

The President, Lieutenant Governor Cherry, declared the Senate adjourned until Wednesday, March 10, 2010, at 10:00 a.m.

CAROL MOREY VIVENTI  
Secretary of the Senate