# No. 93 STATE OF MICHIGAN

# Journal of the Senate

# 95th Legislature **REGULAR SESSION OF 2009**

Senate Chamber, Lansing, Wednesday, November 4, 2009.

10:00 a.m.

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

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

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

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

Reverend Dean Bailey of Central United Methodist Church of Traverse City offered the following invocation:

Eternal God, You are never far away from anyone of us but often unrecognized. We thus affirm Your presence here in this place. We live in a world of appreciation and, ah, a world of resplendent beauty. Lift us into those higher attitudes of the spirit where we are aware of the superior and divine which we may not command because they ought to command us; nor master because we should be mastered by them.

Grant, we pray, that every person in Your presence may find the divine and by the divine be found and so elevated, cleansed, unified, and empowered. Yet here in this chamber of assembly and representation, we hear the echoes of the footsteps of those who look for work and cannot find it; the cries of parents for food and health care for their children; the concern of educators for their students; the caring of civil leaders for their communities; and the growing interests of the citizenry in the environment issues facing our state. We are not alone as the Michigan Senate but are enjoined by all those we seek to serve.

Grant us, O God, the triple gift of faith and wisdom and courage. We lift in our prayers the personal needs of our lives—needs of character and family. There are griefs to be comforted, anxieties to be calmed, temptations that we should rise above, and burdens that ought to call out in us power and strength.

O God, according to the riches of Your grace, minister to the personal needs of this body and through them the needs of our precious state. Amen.

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

#### **Motions and Communications**

Senators Jansen, Kahn and Pappageorge entered the Senate Chamber.

Senator Anderson moved that Senator Clarke be temporarily excused from today's session. The motion prevailed.

Senator Anderson moved that Senators Scott and Thomas be excused from today's session. The motion prevailed.

Senator Cropsey moved that Senator McManus be excused from today's session. The motion prevailed.

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

Senate Bill No. 955 Senate Bill No. 956 Senate Bill No. 957 Senate Bill No. 958

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

The following communications were received and read: Office of the Auditor General

October 30, 2009

Enclosed is a copy of the following audit report:

Performance audit of the Ionia Maximum Correctional Facility, Department of Corrections.

October 30, 2009

Enclosed is a copy of the following audit report:

Performance audit of the Richard A. Handlon Correctional Facility, Department of Corrections.

Sincerely, Thomas H. McTavish, C.P.A. Auditor General

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

The following communication was received: Department of Energy, Labor, and Economic Growth

October 14, 2009

As Director of the Department of Energy, Labor & Economic Growth, I take great pleasure in forwarding to you the ninth legislative report as required by statute on the activities and the progress of survey and remonumentation in the State of Michigan.

Public Act 345 of 1990, created the Survey and Remonumentation Commission and Public Act 346 of 1990 provided the funding for survey and remonumentation. Since the original Commission was appointed in June, 1991, a statewide Model County Plan for county remonumentation has been developed, and Administrative Rules for Act 345 have been promulgated by the Department and adopted by the Legislature. Including grants offered in 2009, \$101 million in grants has been made available to all 83 counties in the State of Michigan.

Details of these activities are included in the enclosed report. If you have any questions regarding the survey and remonumentation program, please feel free to contact me.

Sincerely, Stanley "Skip" Pruss Director

The communication was referred to the Secretary for record.

The following communication was received: Department of Transportation

October 29, 2009

Pursuant to Section 384(2) of Public Act 278 of 2008, enclosed is a report intended to fulfill the requirements of the following language:

The department will report on a quarterly basis to both the house and senate appropriations committees on any expenditures relative to the process identified in subsection (1).

Sec. 384(1) The state transportation department is allowed to finish the Detroit River international crossing (DRIC) study provided that activity associated with finishing the DRIC study shall not bind the state in any way to construction. Certain preliminary activities which are necessary to prepare a proposal for a decision by the legislature are allowed as long as they do not bind the state. Those activities include all of the following:

- (a)Applications for permits and approvals.
- (b) Preliminary design engineering work.
- (c) Preliminary utility planning and relocation.
- (d) Preliminary financial and funding arrangements.

The report includes a listing of internal, consultant, and total study expenditures to-date through the end of the fourth quarter for Fiscal Year 2009, two charts detailing expenditures by year and source of funds, and monthly progress reports for the quarter detailing the history of the consultant team's efforts on behalf of the department.

The Michigan Department of Transportation takes great pride in the way we are conducting the DRIC project. We urge you to visit the project Web site, <a href="www.partnershipborderstudy.com">www.partnershipborderstudy.com</a>, where a wealth of additional information regarding study data and activities has been <a href="available since 2005">available since 2005</a>. All material attached to this memo will be made available on the project Web site if not already posted.

If you have any questions, please feel free to contact me at (517) 373-3946 or DeCookR@michigan.gov.

Sincerely,
Ronald K. DeCook, Director
Office of Governmental Affairs

The communication was referred to the Secretary for record.

The following communication was received: Office of the Chief Compliance Officer

October 30, 2009

Attached is the 2008-2009 Annual Report of the Office of the Chief Compliance Officer, which relates to the 21st Century Jobs Fund Programs. This report is submitted pursuant to MCL 125.2088i(6)(i), which requires the Chief Compliance Officer to prepare a written annual report that evaluates compliance with internal policies and procedures and with applicable state and federal law, explains any compliance matters that arose during the previous year, and suggests revisions to agency policies and procedures. While a great deal of activity took place during the year, I am pleased to report that diligent work by all involved ensured that all applicable laws, policies, and procedures were followed, as more completely described in the Annual Report.

John D. Walter Chief Compliance Officer

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The following communication was received:

Public Service Commission

October 30, 2009

Please see attached Report on the Low-Income and Energy Efficiency Fund submitted on behalf of the Public Service Commission.

> Orjiakor N. Isiogu Chairman

The communication was referred to the Secretary for record.

The following communication was received: Department of Treasury

October 30, 2009

Please find attached one copy of the Personal Property Audit Quarterly Report for the period July 1, 2009 - September 30, 2009. The report is required by Public Act 261 of 2008, the General Government Appropriations Act. Section 947 of the Act provides, in part, as follows:

- (1) Of the \$4,749,200.00 included in part 1 for the revenue enhancement program, \$4,249,200.00 shall be used for revenue collection enhancement activities including auditing functions.
- (2) The department of treasury shall submit quarterly progress reports to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies, regarding personal property tax audits funded under subsection (1). The report shall include the number of audits, revenue generated, and number of complaints received by the department related to the audits.

Frederick Headon, Director Bureau of Local Government Services

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, October 29: House Bill Nos. 4245 4284 4288 4568 4893 4997 5200 5201 5525

The Secretary announced the enrollment printing and presentation to the Governor on Thursday, October 29, for her approval the following bill:

Enrolled Senate Bill No. 641 at 12:08 p.m.

The Secretary announced that the following official bills and joint resolutions were printed on Thursday, October 29, and are available at the legislative website:

Senate Bill Nos. 946 948 949 950 959 960 961 947 962

**Senate Joint Resolution** N

House Bill Nos. 5556 5557 5558 5559 5560 5561

**House Joint Resolution**  $\mathbf{M}\mathbf{M}$ 

The Secretary announced that the following official bills were printed on Friday, October 30, and are available at the legislative website:

Senate Bill Nos. 963 964 965

House Bill Nos. 5562 5563 5564 5565

#### Messages from the Governor

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

Senate Bill No. 254

Senate Bill No. 237

The motion prevailed.

#### Recess

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

The motion prevailed, the time being 10:08 a.m.

11:41 a.m.

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

During the recess, Senators Switalski and Clarke entered the Senate Chamber.

The following messages from the Governor were received:

Date: October 29, 2009

Time: 4:15 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

# Enrolled Senate Bill No. 641 (Public Act No. 127), being

An act to amend 2008 PA 456, entitled "An act to amend 1966 PA 346, entitled, "An act to create a state housing development authority; to define the powers and duties of the authority; to establish a housing development revolving fund; to establish a land acquisition and development fund; to establish a rehabilitation fund; to establish a conversion condominium fund; to create certain other funds and provide for the expenditure of certain funds; to authorize the making and purchase of loans, deferred payment loans, and grants to qualified developers, sponsors, individuals, mortgage lenders, and municipalities; to establish and provide acceleration and foreclosure procedures; to provide tax exemption; to authorize payments instead of taxes by nonprofit housing corporations, consumer housing cooperatives, limited dividend housing corporations, mobile home park corporations, and mobile home park associations; and to prescribe criminal penalties for violations of this act," (MCL 125.1401 to 125.1499c) by adding chapter 3B," by repealing enacting section 1.

(Filed with the Secretary of State on October 29, 2009, at 4:23 p.m.)

Date: October 29, 2009

Time: 4:20 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

#### Enrolled Senate Bill No. 253 (Public Act No. 133), being

An act to make appropriations for the department of state police and certain other state purposes for the fiscal year ending September 30, 2010; to provide for the expenditure of those appropriations; to provide for certain reports and the consideration of those reports; to provide for the disposition of other income received by the various state agencies; to provide for certain emergency powers; to provide for the powers and duties of certain committees, certain state agencies, and certain employees; and to provide for the acquisition and disposition of certain real and personal property.

(Filed with the Secretary of State on October 30, 2009, at 11:29 a.m.)

Respectfully, Jennifer M. Granholm Governor

The following message from the Governor was received and read:

October 29, 2009

Today I have signed Enrolled Senate Bill 253, which authorizes expenditures by the Department of State Police during the fiscal year ending September 30, 2010.

I am pleased that this bill provides full funding of the forensic laboratories throughout the state, including funding for additional casework resulting from the closure of the Detroit Crime Laboratory.

I am, however, dismayed with the action taken by the Legislature with respect to eliminating funding in the School Aid Act (MCL 388.1674) for school bus inspections. While I clearly support school bus inspections for the safe transport of students, without proper revenues, school districts and intermediate school districts are left with no resources to pay the Department of State Police for school bus inspection services, resulting in an unfunded mandate. I, therefore, call on the Legislature to appropriate the necessary resources for this critical service in an effort to protect the safety and security of our most precious resource—our children. In the interim, I am directing the State Police to identify resources within the Department's budget for transfer into the school bus inspection program to avoid interruption of this valuable service.

To provide direction regarding the implementation of this appropriations act, I note the following:

- While Section 238 purports to impose conditions upon the Department of Management and Budget, the bill includes no appropriations for the Department of Management and Budget and the provision appears to be outside the scope of the title and object of Senate Bill 253 and unenforceable.
- Sections 211, 213, 218(2), 239, 255, 310, and 1002 of the bill include statements of legislative intent. While the Legislature has the right to state its advice, preferences, or wishes through a statement of intent, such statements do not impose conditions upon appropriations and are non-binding.

I thank the Michigan Senate for presenting me the fiscal year 2010 budget for the Department of State Police and urge continued work toward completing a fully-funded budget for fiscal year 2010.

Respectfully, Jennifer M. Granholm Governor

The following message from the Governor was received on October 29, 2009, and read:

# EXECUTIVE ORDER No. 2009-47

# Abolishing the Building Officials Advisory Board Department of Energy, Labor, and Economic Growth

# **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 of state government or in the assignment of functions among its units that the Governor considers necessary for efficient administration;

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

WHEREAS, abolishing the Building Officials Advisory Board will contribute to a smaller and more efficient state government;

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

# I. DEFINITIONS

As used in this Order:

- A. "Department of Energy, Labor, and Economic Growth" means the principal department of state government created by Section 225 of the Executive Reorganization Act of 1965, 1965 PA 380, MCL 16.325, and renamed by Executive Order 1996-2, MCL 445.2001, by Executive Order 2003-18, MCL 445.2011, and by Executive Order 2008-20.
- B. "Building Officials Advisory Board" means the board created under Section 3 of the Building Officials and Inspectors Registration Act, 1986 PA 54, MCL 338.2303.
- C. "State Budget Director" means the individual appointed by the Governor pursuant to Section 321 of The Management and Budget Act, 1984 PA 431, MCL 18.1321.
- D. "Type III transfer" means that term as defined under Section 3(c) of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.103.

# II. TRANSFER OF AUTHORITY

- A. The Building Officials Advisory Board is transferred by Type III transfer to the Department of Energy, Labor, and Economic Growth.
  - B. The Building Officials Advisory Board is abolished.

#### III. IMPLEMENTATION OF TRANSFERS

- A. The Director of the Department of Energy, Labor, and Economic Growth shall provide executive direction and supervision for the implementation of all transfers of functions under this Order and shall make internal organizational changes as necessary to complete the transfers under this Order.
- B. The functions transferred under this Order shall be administered by the Director of the Department of Energy, Labor, and Economic Growth in such ways as to promote efficient administration.
- C. All records, property, and unexpended balances of appropriations, allocations, and other funds used, held, employed, available, or to be made available to the Building Officials Advisory Board for the activities, powers, duties, functions, and responsibilities transferred under this Order are transferred to the Department of Energy, Labor, and Economic Growth.
- D. The State Budget Director shall determine and authorize the most efficient manner possible for handling financial transactions and records in the state's financial management system necessary for the implementation of this Order.

#### IV. MISCELLANEOUS

A. All rules, 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.

- B. This Order shall not abate any suit, action, or other proceeding lawfully commenced by, against, or before any entity affected under this Order. Any suit, action, or other proceeding may be maintained by, against, or before the appropriate successor of any entity affected under this Order.
- C. The invalidity of any portion of this Order shall not affect the validity of the remainder of the 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 December 28, 2009 at 12:01 a.m.

[SEAL]

Given under my hand and the Great Seal of the State of Michigan this 29th day of October in the year of our Lord, two thousand nine.

Jennifer M. Granholm Governor

By the Governor:

Terri L. Land

Secretary of State

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

The following message from the Governor was received on October 29, 2009, and read:

EXECUTIVE ORDER No. 2009-48

# Abolishing the Advisory Committee for Development of Educational Television System Department of Education

# **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 of state government or in the assignment of functions among its units that the Governor considers necessary for efficient administration;

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

WHEREAS, abolishing the Advisory Committee for Development of Educational Television System will contribute to a smaller and more efficient state government;

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

#### I. DEFINITIONS

As used in this Order:

- A. "Advisory Committee for Development of Educational Television System" means the committee created under Section 3 of 1966 PA 153, MCL 388.1043.
- B. "Department of Education" means the principal department of state government created under Section 300 of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.400.
- C. "State Budget Director" means the individual appointed by the Governor pursuant to Section 321 of The Management and Budget Act, 1984 PA 431, MCL 18.1321.
- D. "Superintendent of Public Instruction" means the principal executive officer of the Department of Education required under Article VIII, Section 3 of the Michigan Constitution of 1963.
- E. "Type III transfer" means that term as defined under Section 3(c) of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.103.

#### II. TRANSFER OF AUTHORITY

- A. The Advisory Committee for Development of Educational Television System is transferred by Type III transfer to the Department of Education.
  - B. The Advisory Committee for Development of Educational Television System is abolished.

# III. IMPLEMENTATION OF TRANSFERS

A. The Superintendent of Public Instruction shall provide executive direction and supervision for the implementation of all transfers of functions under this Order and shall make internal organizational changes as necessary to complete the transfers under this Order.

- B. The functions transferred under this Order shall be administered by the Superintendent of Public Instruction in such ways as to promote efficient administration.
- C. All records, property, and unexpended balances of appropriations, allocations, and other funds used, held, employed, available, or to be made available to the Advisory Committee for Development of Educational Television System for the activities, powers, duties, functions, and responsibilities transferred under this Order are transferred to the Department of Education
- D. The State Budget Director shall determine and authorize the most efficient manner possible for handling financial transactions and records in the state's financial management system necessary for the implementation of this Order.

#### IV. MISCELLANEOUS

- A. All rules, 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.
- B. This Order shall not abate any suit, action, or other proceeding lawfully commenced by, against, or before any entity affected under this Order. Any suit, action, or other proceeding may be maintained by, against, or before the appropriate successor of any entity affected under this Order.
- C. The invalidity of any portion of this Order shall not affect the validity of the remainder of the 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 December 28, 2009 at 12:01 a.m.

[SEAL]

Given under my hand and the Great Seal of the State of Michigan this 29th day of October in the year of our Lord, two thousand nine.

Jennifer M. Granholm Governor

By the Governor: Terri L. Land Secretary of State

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

The following message from the Governor was received on October 29, 2009, and read:

EXECUTIVE ORDER No. 2009-49

# Abolishing the Public Transit Association Task Force Department of Transportation

# **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 of state government or in the assignment of functions among its units that the Governor considers necessary for efficient administration;

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

WHEREAS, abolishing the Public Transit Association Task Force will contribute to a smaller and more efficient state government;

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

# I. DEFINITIONS

As used in this Order:

- A. "Department of Transportation" means the principal department of state government created under Section 350 of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.450.
- B. "Public Transit Association Task Force" means the task force created under Section 10h of the State Trunk Line Highway System, 1951 PA 51, MCL 247.660h.
- C. "State Budget Director" means the individual appointed by the Governor pursuant to Section 321 of The Management and Budget Act, 1984 PA 431, MCL 18.1321.

D. "Type III transfer" means that term as defined under Section 3(c) of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.103.

#### II. TRANSFER OF AUTHORITY

- A. The Public Transit Association Task Force is transferred by Type III transfer to the Department of Transportation.
- B. The Public Transit Association Task Force is abolished.

#### III. IMPLEMENTATION OF TRANSFERS

- A. The Director of the Department of Transportation shall provide executive direction and supervision for the implementation of all transfers of functions under this Order and shall make internal organizational changes as necessary to complete the transfers under this Order.
- B. The functions transferred under this Order shall be administered by the Director of the Department of Transportation in such ways as to promote efficient administration.
- C. All records, property, and unexpended balances of appropriations, allocations, and other funds used, held, employed, available, or to be made available to the Public Transit Association Task Force for the activities, powers, duties, functions, and responsibilities transferred under this Order are transferred to the Department of Transportation.
- D. The State Budget Director shall determine and authorize the most efficient manner possible for handling financial transactions and records in the state's financial management system necessary for the implementation of this Order.

# IV. MISCELLANEOUS

- A. All rules, 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.
- B. This Order shall not abate any suit, action, or other proceeding lawfully commenced by, against, or before any entity affected under this Order. Any suit, action, or other proceeding may be maintained by, against, or before the appropriate successor of any entity affected under this Order.
- C. The invalidity of any portion of this Order shall not affect the validity of the remainder of the 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 December 28, 2009 at 12:01 a.m.

[SEAL]

Given under my hand and the Great Seal of the State of Michigan this 29th day of October in the year of our Lord, two thousand nine.

Jennifer M. Granholm Governor

By the Governor: Terri L. Land Secretary of State

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

The following message from the Governor was received on October 29, 2009, and read:

EXECUTIVE ORDER No. 2009-50

Abolishing the Michigan Telecommunications Relay Service Advisory Board Department of Energy, Labor, and Economic Growth

#### **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 of state government or in the assignment of functions among its units that the Governor considers necessary for efficient administration;

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

WHEREAS, abolishing the Michigan Telecommunications Relay Service Advisory Board will contribute to a smaller and more efficient state government;

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

#### I. DEFINITIONS

As used in this Order:

- A. "Department of Energy, Labor, and Economic Growth" means the principal department of state government created by Section 225 of the Executive Reorganization Act of 1965, 1965 PA 380, MCL 16.325, and renamed by Executive Order 1996-2, MCL 445.2001, by Executive Order 2003-18, MCL 445.2011, and by Executive Order 2008-20.
- B. "Michigan Telecommunications Relay Service Advisory Board" means the board created under Section 315 of the Michigan Telecommunications Act, 1991 PA 179, MCL 484.2315.
- C. "State Budget Director" means the individual appointed by the Governor pursuant to Section 321 of The Management and Budget Act, 1984 PA 431, MCL 18.1321.
- D. "Type III transfer" means that term as defined under Section 3(c) of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.103.

#### II. TRANSFER OF AUTHORITY

- A. The Michigan Telecommunications Relay Service Advisory Board is transferred by Type III transfer to the Department of Energy, Labor, and Economic Growth.
  - B. The Michigan Telecommunications Relay Service Advisory Board is abolished.

# III. IMPLEMENTATION OF TRANSFERS

- A. The Director of the Energy, Labor, and Economic Growth shall provide executive direction and supervision for the implementation of all transfers of functions under this Order and shall make internal organizational changes as necessary to complete the transfers under this Order.
- B. The functions transferred under this Order shall be administered by the Director of the Department of Energy, Labor, and Economic Growth in such ways as to promote efficient administration.
- C. All records, property, and unexpended balances of appropriations, allocations, and other funds used, held, employed, available, or to be made available to the Advisory Subcommittee on Interior Design for the activities, powers, duties, functions, and responsibilities transferred under this Order are transferred to the Department of Energy, Labor, and Economic Growth.
- D. The State Budget Director shall determine and authorize the most efficient manner possible for handling financial transactions and records in the state's financial management system necessary for the implementation of this Order.

# IV. MISCELLANEOUS

- A. All rules, 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.
- B. This Order shall not abate any suit, action, or other proceeding lawfully commenced by, against, or before any entity affected under this Order. Any suit, action, or other proceeding may be maintained by, against, or before the appropriate successor of any entity affected under this Order.
- C. The invalidity of any portion of this Order shall not affect the validity of the remainder of the 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 December 28, 2009 at 12:01 a.m.

[SEAL]

Given under my hand and the Great Seal of the State of Michigan this 29th day of October in the year of our Lord, two thousand nine.

Jennifer M. Granholm Governor

By the Governor: Terri L. Land

Secretary of State

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

The following message from the Governor was received on October 29, 2009, and read:

EXECUTIVE ORDER No. 2009-51

# **Department of Treasury**

# **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 of state government or in the assignment of functions among its units that the Governor considers necessary for efficient administration;

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

WHEREAS, reorganization of the State Tax Commission and the State Assessor's Board will lead to more effective implementation of tax policy, greater administrative efficiencies, and reductions in expenditures;

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

#### I. DEFINITIONS

As used in this Order:

- A. "Department of Treasury" or "Department" means the principal department of state government created under Section 75 of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.175.
  - B. "New State Tax Commission" or "Commission" means the new State Tax Commission established by this Order.
- C. "Old State Tax Commission" means the State Tax Commission in existence on the date of this Order as created under the 1927 PA 360, MCL 209.101 to 209.107, transferred by Type I transfer to the Department of Treasury, by Executive Organization Act of 1965, 1965 PA 380, MCL 16.184 and modified by Executive Order 2006-21, MCL 209.91.
- D. "State Assessor's Board" means the State Assessor's Board created under Sections 10c and 10d of 1893 PA 206, MCL 211.10c and MCL 211.10d.
- E. "State Budget Director" means the Director of the State Budget Office created under Section 321 of the Management and Budget Act, 1984 PA 431, MCL 18.1321.

#### II. CREATION OF THE NEW STATE TAX COMMISSION

- A. The new State Tax Commission is created within the Department of Treasury.
- B. The Commission shall consist of 3 members, not more than 2 of whom shall be members of the same political party. Members shall be appointed by the Governor subject to disapproval under Section 6 of Article V of the Michigan Constitution of 1963.
- C. All of the members shall have at least 5 years experience in government or the private sector, dealing with matters relating to state or local taxes. Not less than 1 of the members shall be a certified assessor holding a level III certificate or greater as granted by the State Assessor's Board or its successor. The Governor shall designate 1 of the members as Chairperson of the Commission.
- D. Of the members of the Commission initially appointed by the Governor under Section II.B, 1 member shall be appointed for a term expiring on December 27, 2012, and 2 members shall be appointed for a term expiring on December 27, 2013. After the initial appointments under this paragraph, members of the Commission shall be appointed for a term of 4 years.
- E. A member of the Commission shall continue to serve until a successor is appointed and qualified. A vacancy on the Commission 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.

#### III. OPERATIONS OF THE COMMISSION

- A. The Commission shall exercise its prescribed statutory powers, duties and functions of rule-making, licensing and registration including the promulgation of rules, rates, regulations and standards, and adjudication independently of the State Treasurer.
- B. The Commission shall be staffed and assisted by personnel from the Department, subject to available funding. All budgeting, procurement, and related management functions of the Commission shall be performed under the direction and supervision of the State Treasurer.
- C. The Commission shall adopt procedures consistent with Michigan law and this Order governing its organization and operations.
- D. A majority of the members of the Commission serving constitutes a quorum for the transaction of the Commission's business. The Commission shall act by a majority vote of its serving members.
- E. The Commission shall meet at the call of the Chairperson and as may be provided in procedures adopted by the Commission.
- F. The Commission may establish advisory workgroups composed of representatives of entities participating in Commission activities or other members of the public as deemed necessary by the Commission to assist the Commission in performing its duties and responsibilities. The Commission may adopt, reject, or modify any recommendations proposed by an advisory workgroup.
- G. The Commission may, as appropriate, make inquiries, studies, investigations, hold hearings, and receive comments from the public. The Commission may also 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.
- H. The Chairperson and the Commissioners shall receive an annual salary. The Chairperson and the Commissioners shall not engage in outside employment or other business activity that conflicts with their duties as Commissioners.

- I. Members of the Commission 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 Management and Budget, subject to available funding.
- J. The Commission 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 Commission and the performance of its duties as the State Treasurer deems advisable and necessary, in accordance with this Order, the relevant statutes, and the rules and procedures of the Civil Service Commission and the Department of Management and Budget.
- K. The Commission may accept donations of labor, services, or other things of value from any public or private agency or person.
  - L. Members of the Commission shall refer all legal, legislative, and media contacts to the Department.

# IV. TRANSFER OF FUNCTIONS AND ABOLITION OF THE OLD STATE TAX COMMISSION

- A. All of the authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the old State Tax Commission are transferred to the new State Tax Commission. The authority, powers, duties, and functions transferred under this Order to the new State Tax Commission, include, but are not limited to, the authority, powers, duties, and functions of the old State Tax Commission under any of the following:
  - 1. 1978 PA 472, MCL 4.411 to 4.431.
  - 2. Section 86 of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.186.
  - 3. 1975 PA 197, MCL 125.1651 to 125.1681.
  - 4. Water Resource Improvement Tax Increment Finance Authority Act, 2008 PA 94, MCL 125.1771 to 125.1794.
  - 5. The Tax Increment Finance Authority Act, 1980 PA 450, MCL 125.1801 to 125.1830.
  - 6. The Local Development Financing Act, 1986 PA 281, MCL 125.2151 to 2174.
  - 7. Brownfield Redevelopment Financing Act, 1996 PA 381, MCL 125.2651 to 125.2672.
  - 8. Obsolete Property Rehabilitation Act, 2000 PA 146, MCL 125.2781 to 125.2797.
  - 9. Historical Neighborhood Tax Increment Finance Authority Act, 2004 PA 530, MCL 125.2841 to 125.2866.
- 10. Corridor Improvement Authority Act, 2005 PA 280, MCL 125.2871 to 125.2899.
- 11. Neighborhood Improvement Authority Act, 2007 PA 61, MCL 125.2911 to 125.2932.
- 12. Section 2 of 1977 PA 289, MCL 141.952.
- 13. Section 4 of 1929 PA 48, MCL 205.304.
- 14. Section 13 of 1929 PA 48, MCL 205.313.
- 15. Section 8 of 1963 PA 68. MCL 207.278.
- 16. Section 4 of 1966 PA 134, MCL 207.504.
- 17. 1974 PA 198, MCL 207.551 to 207.572.
- 18. 1976 PA 438, MCL 207.601 to 207.615.
- 19. Commercial Redevelopment Act, 1978 PA 255, MCL 207.651 to 207.668.
- 20. Neighborhood Enterprise Zone Act, 1992 PA 147, MCL 207.771 to 207.787.
- 21. 1911 PA 44, MCL 209.1 to 209.9.
- 22. The General Property Tax Act, 1893 PA 206, MCL 211.1 to 211.157.
- 23. Section 1a of 1953 PA 189, MCL 211.181a.
- 24. Property Tax Limitation Act, 1933 PA 62, MCL 211.201 to 211.217a.
- 25. Section 5 of the Tax Reverted Clean Title Act, 2003 PA 260, MCL 211.1025.
- 26. Part 21 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.2101 to MCL 324.2162.
- 27. Part 37 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.3701 to MCL 324.3708.
- 28. Part 59, of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.5901 to MCL 324.5908.
- 29. Section 30511 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.30511.
- 30. Part 361, of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.36101 to 324.36117.
- 31. Section 35307 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.35307.
- 32. Section 121 of the State School Aid Act of 1979, 1979 PA 94, MCL 388.1721.
- 33. Section 271 of the Railroad Code of 1993, 1993 PA 354, MCL 462.271.
- 34. Section 23 of the Nonprofit Street Railway Act, 1867 PA 35, MCL 472.23.
- 35. Section 109 of the Land Division Act, 1967 PA 288, MCL 560.109.
- 36. Executive Order 2006-21.
- B. After the effective date of this Order, any statutory and other references to the old State Tax Commission shall be deemed references to the new State Tax Commission.
  - C. The old State Tax Commission is abolished.

#### V. TRANSFER OF FUNCTIONS AND ABOLITION OF THE STATE ASSESSOR'S BOARD

A. All of the authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the State Assessor's Board are transferred to the new State Tax Commission provided for under Section II of this Order.

- B. After the effective date of this Order, any statutory and other references to the State Assessor's Board shall be deemed references to the new State Tax Commission.
  - C. The State Assessor's Board is abolished.

# VI. IMPLEMENTATION OF TRANSFER

- A. The State Treasurer shall provide executive direction and supervision for the implementation of the transfer under this Order and shall make internal organization changes as necessary to effectuate the transfers.
- B. The authority, powers, duties, functions, and responsibilities transferred to the Commission under this Order shall be administered in such ways as to promote efficient administration.
- C. All records, property, grants, and unexpended balances of appropriations, allocations, and other funds used, held, employed, available, or to be made available for the activities, powers, duties, functions, and responsibilities transferred under this Order are transferred to the Commission.
- D. The State Budget Director shall determine and authorize the most efficient manner possible for handling financial transactions and records in the state's financial management system necessary for the implementation of this Order.

# VII. MISCELLANEOUS

- A. All departments, committees, Commissioners, or officers of this state, or of any political subdivision of this state, shall give to the Commission or to any member or representative of the Commission, any necessary assistance required by the Commission or any member or representative of the Commission, in the performance of the duties of the Commission so far as is compatible with its, his, or her duties. Free access shall also be given to any books, records, or documents in its, his, or her custody, relating to matters within the scope of inquiry, study, or review of the Commission.
- B. All rules, orders, bulletins, determinations, manuals, letters, certifications, contracts, agreements, and any other actions of the old State Tax Commission or the State Assessor's Board relating to the transfers under this Order lawfully adopted prior to the effective date of this Order shall continue to be in full force and effect until revised, amended, repealed, or rescinded by the new State Tax Commission.
- C. This Order shall not abate any suit, action, or other proceeding lawfully commenced by, against, or before any entity affected under this Order. Any suit, action, or other proceeding may be maintained by, against, or before the appropriate successor of any entity affected under this Order.
- D. The invalidity of any portion of this Order shall not affect the validity of the remainder of the 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 on December 28, 2009 at 12:01 a.m.

[SEAL]

Given under my hand and the Great Seal of the State of Michigan this 29th day of October in the year of our Lord, two thousand nine.

Jennifer M. Granholm Governor

By the Governor:

Terri L. Land

Secretary of State

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

The following message from the Governor was received on October 29, 2009, and read:

EXECUTIVE ORDER No. 2009-52

# **Protecting Michigan's Homeland Security**

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, under Section 12 of Article V, of the Michigan Constitution of 1963, the Governor is the commander-in-chief of the armed forces and may call them out to execute the laws, suppress insurrection, and repel invasion;

WHEREAS, under Section 171 of the Michigan Military Act, 1967 PA 150, MCL 32.571, the Governor may organize, disband, arrange, transfer, convert, alter, consolidate, or attach units of the military establishment;

WHEREAS, there is a continuing need to assess and evaluate the security of the State of Michigan and to assure that all departments and agencies are communicating and coordinating efforts to address threats to our homeland security;

WHEREAS, it is critical that the Governor be continuously apprised of homeland security issues and be provided the most accurate and prompt information available to ensure that all relevant factors are appropriately weighed in the development and implementation of effective and coordinated homeland security measures;

WHEREAS, changes to Executive Order 2003-6, which established an Assistant Adjutant General for Homeland Security and the Michigan Homeland Protection Board are necessary to reflect organizational changes in state government.

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

# I. DEFINITIONS

- A. "Adjutant General" means the commanding officer of the military establishment of this state under Section 300 of the Michigan Military Act, 1967 PA 150, MCL 32.700, appointed by the Governor under Section 302 of the Michigan Military Act, 1967 PA 150, MCL 32.702.
  - B. "Board" means the Michigan Homeland Protection Board established by this Order.
- C. "Department of Agriculture" means the principal department of state government created under Section 1 of 1921 PA 13, MCL 285.1, and Section 175 of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.275.
- D. "Department of Civil Rights" or "Department" means the principal department of state government created by Section 475 of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.575.
- E. "Department of Community Health" means the principal department of state government created as the Department of Mental Health under Section 400 of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.500, and renamed the Department of Community Health by Executive Order 1996-1, MCL 330.3101.
- F. "Department of Environmental Quality" means the principal department of state government created by Executive Order 1995-18, MCL 324.99903.
- G. "Department of Information Technology" means the principal department of state government created by Executive Order 2001-3, MCL 18.41.
- H. "Department of Military and Veterans Affairs" means the principal department of state government created as the Department of Military Affairs under Section 125 of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.225, and renamed the "Department of Military and Veterans Affairs" by Executive Order 1997-7, MCL 32.91.
- I. "Department of Natural Resources and Environment" means the principal department of state government created by Executive Order 2009-45.
- J. "Department of State Police" means the principal department of state government created by Section 150 of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.250.
- K. "Department of Transportation" means the principal department of state government created by Section 350 of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.450.

# II. RESCISSION OF EXECUTIVE ORDER 2003-6

A. Executive Order 2003-6 is rescinded in its entirety. This Order shall not have the effect of reestablishing the Michigan Homeland Security Task Force established by Executive Directive 2002-1 and abolished by Executive Order 2003-6. Executive Directive 2002-1 remains rescinded.

#### III. MICHIGAN HOMELAND PROTECTION BOARD

- A. The Michigan Homeland Protection Board is created as an advisory body to the Governor within the Department of State Police.
- B. The Board shall develop, implement, and revise as needed an effective and coordinated homeland security strategy. The Board shall refine and update this state's domestic preparedness and homeland security strategies and shall continue to strengthen this state's capabilities to detect, prepare for, prevent, secure and protect against, respond to, and recover from, any terrorist threats or attacks.
- C. The members of the Board shall be the Director of the Department of State Police, the Adjutant General, the Director of the Department of Agriculture, the Director of the Department of Civil Rights, the Director of the Department of Community Health, the Director of the Department of Information Technology, and the Director of the Department of Transportation, or their designees. Before January 17, 2010, the Board also shall include the Director of the Department of Environmental Quality. After January 16, 2010, the Board also shall include the Director of the Department of Natural Resources and Environmental Quality or his or designee.
  - D. The Director of the Department of State Police shall serve as Chairperson of the Board.
- E. The Board may adopt procedures, consistent with Michigan law and this Order, governing its organization and operations. The Board may establish such committees, subcommittees, and workgroups as it deems advisable.
- F. The Board shall meet at the call of the Chairperson, or at the request of the Governor, and as may be provided in procedures adopted by the Board.
- G. The Board may, as appropriate, make inquiries, studies, and investigations, hold hearings, and receive comments from the public. Subject to available funding, the Commission 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.

- H. The Homeland Security Advisory Council is created to advise the Board and to provide input, advice, and recommendations to the Board on any issues deemed necessary by the Board. The Homeland Security Advisory Council shall consist of the Deputy State Director of Emergency Management and Homeland Security, the Adjutant General or his or her designee from within the Department of Military and Veterans Affairs and other members as directed by the Board. The Deputy State Director of Emergency Management and Homeland Security Division shall serve as the Chairperson of the Homeland Security Advisory Council.
- I. The Homeland Security Advisory Council may, with direction from the Board, appoint advisory groups consisting of government officials and members of the public to solicit input, receive recommendations, and assist in the development of plans and strategies on homeland security issues, including, but not limited to, agriculture and food supply; communications and information technology systems; critical infrastructure protection; energy; hazardous and radioactive materials; key facilities and special events; transportation systems; water systems; public health and hospitals; indications and warnings, response equipment, and exercises; strategic planning; and training and technical assistance.

# IV. DEPARTMENT OF STATE POLICE

- A. As required by the Emergency Management Act, 1976 PA 390, MCL 30.401 to 30.421:
- 1. The Director of the Department of State Police or his or her designee shall continue to serve as the State Director of Emergency Management and Homeland Security.
- 2. The Emergency Management and Homeland Security Division within the Department of State Police shall continue to coordinate this state's emergency management activities for all emergencies and disasters.
- 3. The commanding officer of the Emergency Management and Homeland Security Division shall continue to serve as the Deputy State Director of Emergency Management and Homeland Security.
- 4. All state departments and agencies shall cooperate with the activities of the Emergency Management and Homeland Security Division of the Department of State Police.
- B. The State Director of Emergency Management and Homeland Security shall direct homeland security response activities under the Emergency Management Act, 1976 PA 390, MCL 30.401 to 30.421.
- C. The Emergency Management and Homeland Security Division of the Department of State Police shall continue to serve as the focal point for all emergency and disaster response to ensure that response activities are carried out in a coordinated manner.

# V. MISCELLANEOUS

- A. The Director of the Department of State Police shall make internal organizational changes within the Department of State Police as may be administratively necessary to implement this Order and to assure that the Governor is provided timely and accurate information and advice regarding homeland security matters and policy.
- B. Departments and agencies shall, to the extent permitted by law, make available to the Director of the Department of State Police all information relating to terrorist threats and activities. The Director of the Department of State Police shall encourage and invite the participation of local governments and private entities, as appropriate.
  - C. Departments and autonomous agencies shall actively support the Michigan Homeland Protection Board by:
- 1. Assigning key personnel at the request of the Director of the Department of State Police to actively participate in this state's homeland security efforts and to assist in the development and implementation of homeland security strategy, goals, and objectives.
- 2. Ensuring implementation of Board goals and objectives identified as requiring action by a particular department or agency.
- D. The active collaboration in homeland security efforts by all department directors and autonomous agency heads will ensure that this state's emergency management and homeland security system will be better prepared to respond to terrorist threats or attacks.
- E. The invalidity of any portion of this Order shall not affect the validity of the remainder of the 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.

This Order is effective upon filing.

[SEAL]

Given under my hand and the Great Seal of the State of Michigan this 29th day of October in the year of our Lord, two thousand nine.

Jennifer M. Granholm Governor

By the Governor: Terri L. Land Secretary of State

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

The following message from the Governor was received on October 29, 2009, and read:

# EXECUTIVE ORDER No. 2009-53

# Amendment of Executive Order 2003-18 Department of Energy, Labor, and Economic Growth

#### **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 of state government or in the assignment of functions among its units that the Governor considers necessary for efficient administration;

WHEREAS, under Executive Order 2003-18, MCL 445.2011, the membership of the Worker's Compensation Board of Magistrates was reduced from 30 members to 26 members;

WHEREAS, productivity and caseload justify a further reduction in the number of members of the Worker's Compensation Board of Magistrates, which will contribute to a smaller and more efficient state government;

WHEREAS, there is a continuing need to reorganize functions amongst 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 and authority vested in the Governor by the Michigan Constitution of 1963 and Michigan law, order the following:

- A. Section II.Q.1 of Executive Order 2003-18, MCL 445.2011, is amended to read to read as follows: "The number of members constituting the Worker's Compensation Board of Magistrates established under Section 213 of the Worker's Disability Compensation Act of 1969, 1969 PA 317, MCL 418.213, is reduced from 30 members to 26 members, beginning on December 7, 2003. From December 7, 2003, until January 26, 2010, the Board of Magistrates shall consist of 26 members. After January 26, 2010, the Board of Magistrates shall consist of 17 members. The Governor shall designate a member of the Board of Magistrates as the Chairperson of the Worker's Compensation Board of Magistrates, who shall serve as Chairperson of the Board of Magistrates at the pleasure of the Governor."
- 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 any 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 the 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 60 days after the filing of this Order.

[SEAL]

Given under my hand and the Great Seal of the State of Michigan this 29th day of October in the year of our Lord, two thousand nine.

Jennifer M. Granholm Governor

By the Governor: Terri L. Land Secretary of State

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

The following message from the Governor was received and read:

APPROPRIATIONS; ZERO BUDGET; DEPARTMENT OF ENERGY, LABOR, AND ECONOMIC GROWTH

October 29, 2009

Today I have signed Enrolled Senate Bill 243 authorizing expenditures by the Department of Energy, Labor, and Economic Growth for the fiscal year ending September 30, 2010. I have, however, disapproved six items pursuant to Section 19 of

Article V of the Michigan Constitution of 1963. The item vetoes are detailed in the attached copy of the bill, which has been filed with the Secretary of State.

I have disapproved a proposed appropriation of \$300,000 for agriculture economic development and related boilerplate in Section 364, which diverts out of this budget limited general funds for activities in the Michigan Department of Agriculture. I also have disapproved proposed appropriations totaling \$415,000 for an occupational safety training grant, an allocation for the Michigan After-School Partnership, and two workforce training grants under Sections 342, 704, 813, and 818, respectively. These earmarks would undermine the Department's competitive process for awarding grants and impede the prioritization of workforce training funds needed to help improve the job skills of displaced workers. Finally, given scarce general fund resources, I have disapproved a proposed appropriation of \$59,000 for the Michigan Housing and Community Development Fund and related boilerplate in Section 501.

To provide direction regarding the implementation of this appropriations act, I note the following:

- Section 332 of the bill requires the Department of Energy, Labor, and Economic Growth to complete a request for proposal and contracting process related to unemployment insurance computer system by October 1, 2009. This condition cannot be satisfied as the bill was not presented for enactment until October 20, 2009. Furthermore, existing law vests such procurement authority in the Department of Management and Budget.
- Consistent with my duty to assure that laws are faithfully executed under Section 8 of Article V of the Michigan Constitution of 1963, when a governor is concerned that a provision in an appropriations bill is unconstitutional, it is appropriate to express that concern. See OAG, 2009-2010, No. 7225 (February 27, 2009). A governor has no less a solemn obligation than does the judiciary to consider the constitutionality of his or her every act. Accordingly, to the extent that Section 341 of the bill modifies or amends the provisions of the Michigan Occupational Safety and Health Act, 1974 PA 154, MCL 408.1001 to 408.1094, and similarly, to the extent that Section 406 modifies or amends the powers and duties vested in the Commissioner of the Office of Financial and Insurance Regulation under Michigan law, these sections are in contravention of Section 25 of Article IV of the Michigan Constitution of 1963 and unenforceable.
- Sections 216, 351, 366, 372, 501(2), 814, and 817 of the bill include statements of legislative intent. While the Legislature has the right to state its advice, preferences, or wishes through a statement of intent, such statements do not impose conditions upon appropriations and are non-binding.

I thank the Michigan Senate for presenting me the fiscal year 2010 budget for the Department of Energy, Labor, and Economic Growth.

Sincerely, Jennifer M. Granholm Governor

This bill was signed by the Governor on October 29, 2009 at 4:40 p.m. (Filed with the Secretary of State on October 30, 2009, at 11:23 a.m.) and assigned Public Act No. 130.

The question being on the passage of the vetoed line items, the objections of the Governor to the contrary notwith-standing,

Senator Cropsey moved that further consideration of the bill be postponed for today.

The motion prevailed.

The following message from the Governor was received and read:

# APPROPRIATIONS; ZERO BUDGET; GENERAL GOVERNMENT

October 29, 2009

I have signed Enrolled Senate Bill 245, which authorizes expenditures for the fiscal year ending September 30, 2010 by several general government entities, including the Department of Attorney General, Department of Civil Rights, Department of Information Technology, Department of Management and Budget, Department of State, Department of Treasury, the Michigan Strategic Fund, the Executive Office, and the Legislative Branch. I have, however, disapproved several items pursuant to Section 19 of Article V of the Michigan Constitution of 1963. The item vetoes are detailed in the attached copy of the bill, which has been filed with the Secretary of State.

I have disapproved a proposed appropriation of \$1,200,000 for census tracking and reapportionment and related boilerplate included in Section 720 of the bill. Given the limited general fund resources available, I can't support spending tax dollars now to support the drawing of political district lines that will not occur until after census data is transmitted to states in April of 2011. Michigan taxpayers have more pressing needs. Furthermore, this appropriation belongs in the Legislature's budget, as reapportionment and redistricting are legislative responsibilities.

I also have disapproved Section 726 of the bill, which earmarks \$7,105,300 for the Michigan State Fair, along with related section 726a. Given current revenue constraints, tax dollars can no longer subsidize State Fair operations.

In addition, I have disapproved earmarks for two business incubators contained in Section 1034 as I believe that such incubators should be concentrated in communities with the greatest need.

I am concerned about the level of revenue sharing payments for our communities and the Legislature's failure to fully fund Section 955 of the bill as intended. The Legislature has more work to do to assure appropriate revenue sharing payments in support of critical local services.

To provide direction regarding the implementation of this appropriations act, I note the following:

- To the extent that Section 227 of the bill purports to alter restrictions on no-bid contracts mandated by The Management and Budget Act, the provision contravenes Section 25 of Article IV of the Michigan Constitution of 1963, and is unenforceable. State departments and agencies shall continue to comply with the restrictions on no-bid contracts already included in The Management and Budget Act.
- Sections 228 and 577(4) purport to require the production of reports by October 15. Because this bill was not presented for enactment until October 20, 2009, the conditions purportedly imposed by these sections cannot be satisfied.
- To the extent that Section 727 of the bill purports to alter the statutory mandates relating to contracts and procurement under The Management and Budget Act, the provision contravenes Section 25 of Article IV of the Michigan Constitution of 1963, and is unenforceable. On matters relating to procurement and contracts, state departments and agencies shall continue to comply with The Management and Budget Act and Executive Directive 2009-3.
- Sections 715(3), 938, 939, and 1002(6) of the bill include statements of legislative intent. While the Legislature has the right to state its advice, preferences, or wishes through a statement of intent, such statements do not impose conditions upon appropriations and are non-binding.

While I found it necessary to disapprove of several items in this bill, I thank the Michigan Senate for presenting me with a general government budget.

Respectfully, Jennifer M. Granholm Governor

This bill was signed by the Governor on October 29, 2009 at 5:45 p.m. (Filed with the Secretary of State on October 30, 2009, at 11:19 a.m.) and assigned Public Act No. 128.

The question being on the passage of the vetoed line items, the objections of the Governor to the contrary notwith-standing,

Senator Cropsey moved that further consideration of the bill be postponed for today.

The motion prevailed.

The following message from the Governor was received and read:

#### APPROPRIATIONS: ZERO BUDGET: DEPARTMENT OF HUMAN SERVICES

October 29, 2009

I have signed Enrolled Senate Bill 248, which authorizes expenditures by the Department of Human Services (DHS) for the fiscal year ending September 30, 2010. I however, have disapproved several items pursuant to Section 19 of Article V of the Michigan Constitution of 1963. The item vetoes are detailed in the attached copy of the bill, which has been filed with the Secretary of State.

This bill appropriates over \$6 billion in total funding, representing a large increase over fiscal year 2009, largely because of 100% federally funded food assistance benefits made possible by the American Recovery and Reinvestment Act of 2009. However, programs supported by the state's general fund, including local office field staffing, child welfare improvements, child day care, juvenile justice, and employment and training programs have all been drastically reduced from my executive recommendation to meet legislatively-negotiated targets with which I did not agree.

These general fund reductions create a potential shortfall in state maintenance of effort and match requirements for critical federal block grants that fund child day care services and basic assistance for low-income families. I am concerned about the impacts on vulnerable citizens in the face of these shortfalls. In addition, a number of program enhancements and spending increases have been added to this budget that do not reflect the balance needed to help Michigan families move toward self-sufficiency and to ensure the well-being of children.

I have disapproved the following proposed appropriations as they are ancillary to the core mission and objectives of the Department and cannot be supported in these fiscally challenging times: sections 286, 299, 523(2), and 1104.

I have disapproved the following proposed appropriations that earmark funding for special projects that cannot be funded while other core programs are drastically reduced: sections 295, 312, 415, 416, 423(3), 587, 613(2), 657, 676, 754, and 908.

I have also disapproved three line items for non-essential projects: day care services grants and contracts, family group decision-making, and communities in schools. These projects cannot be maintained while other, more critical programming in the department is reduced.

I have disapproved the proposed appropriations in Sections 288, 573 and 581 for increased provider payments as they cannot be sustained given our challenging fiscal situation.

The following drafting errors of a technical nature are disapproved: sections 1201, 1202, 1203, and 1204. Funding for these items is duplicative as other funding is contained elsewhere in the budget.

To provide direction regarding the implementation of this appropriations act, I note the following:

- Sections 546(4) and 547(2) attempt to amend the following state statutes without republication by requiring the state to assume a 75 percent cost share for foster care services: The Social Welfare Act and the Probate Code of 1939. (MCL 712a.25). To the degree that these sections conflict with existing state law they violate Section 25 of Article IV of the Michigan Constitution of 1963 and are unenforceable. The Department of Human Services to continue with the statutorily mandated 50 percent/50 percent cost sharing arrangement.
- Section 753 of the bill includes a statement of legislative intent. While the Legislature has the right to state its advice, preferences, or wishes through a statement of intent, such statements do not impose conditions upon appropriations and are non-binding.
- Section 290 expresses legislative intent and is not binding on the Department. However, administrative savings for these proposed reductions in central administration and field staff have been reflected in appropriations made in Sections 102, 103, 109, and 110 of the bill. The Legislature's attempt to direct the Department to eliminate specific offices and positions is an infringement on the Executive's prerogative to organize state operations to meet the needs and policy priorities of Michigan's citizens and faithfully execute. This provision also represents an unwarranted attack on the hard-working civil servants in the positions identified and does not meet the values of integrity, excellence, and inclusion I have established for conduct in the Executive Branch.

Finally, I am concerned about the lack of funding to maintain operations at the Nokomis Challenge Center and community juvenile justice centers. These facilities were funded for only one quarter of the fiscal year and no funding was included to provide alternative placements for the youth currently served by these programs. I believe these facilities are critical in providing necessary, specialized substance abuse treatment and transition services for youth offenders, and as presented, this budget fails to adequately address the needs of these youth under state care.

I appreciate the effort it has taken to create this budget, even though I disagree with certain provisions. Thank you for presenting me with this budget.

Respectfully, Jennifer M. Granholm Governor

This bill was signed by the Governor on October 29, 2009 at 5:35 p.m. (Filed with the Secretary of State on October 30, 2009, at 11:21 a.m.) and assigned Public Act No. 129.

The question being on the passage of the vetoed line items, the objections of the Governor to the contrary notwithstanding,

Senator Cropsey moved that further consideration of the bill be postponed for today.

The motion prevailed.

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. 563 House Bill No. 4793 House Bill No. 4709 House Bill No. 4264 The motion prevailed.

The following bill was read a third time:

# Senate Bill No. 563, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending section 269 (MCL 206.269), as added by 2004 PA 313.

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. 571

# Yeas—34

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

Nays—0

Excused—3

McManus Scott Thomas

Not Voting—0

In The Chair: Richardville

The Senate agreed to the title of the bill.

The following bill was announced:

# House Bill No. 4793, entitled

A bill to amend 1980 PA 299, entitled "Occupational code," by amending sections 2004 and 2005 (MCL 339.2004 and 339.2005), section 2004 as amended by 1988 PA 463 and section 2005 as amended by 1998 PA 90.

(This bill was read a third time on October 29 and consideration postponed. See Senate Journal No. 92, p. 2111.) 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. 572

# Yeas—34

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

Nays—0

#### Excused—3

McManus Scott Thomas

# Not Voting—0

In The Chair: Richardville

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

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

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

"An act to revise, consolidate, and classify the laws of this state regarding the regulation of certain occupations; to create a board for each of those occupations; to establish the powers and duties of certain departments and agencies and the boards of each occupation; to provide for the promulgation of rules; to provide for certain fees; to provide for penalties and civil fines; to establish rights, relationships, and remedies of certain persons under certain circumstances; to repeal certain parts of this act on a specific date; and to repeal certain acts and parts of acts,".

The Senate agreed to the full title.

The following bill was read a third time:

# House Bill No. 4709, entitled

A bill to amend 2007 PA 36, entitled "Michigan business tax act," by amending section 117 (MCL 208.1117).

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. 573 Yeas—34

Allen	Cherry	Hunter	Patterson
Anderson	Clark-Coleman	Jacobs	Prusi
Barcia	Clarke	Jansen	Richardville
Basham	Cropsey	Jelinek	Sanborn
Birkholz	Garcia	Kahn	Stamas
Bishop	George	Kuipers	Switalski
Brater	Gilbert	Olshove	Van Woerkom
Brown	Gleason	Pappageorge	Whitmer
Cassis	Hardiman	11 6 6	

Nays—0

Excused—3

McManus Scott Thomas

Not Voting—0

In The Chair: Richardville

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

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

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

"An act to meet deficiencies in state funds by providing for the imposition, levy, computation, collection, assessment, reporting, payment, and enforcement of taxes on certain commercial, business, and financial activities; to prescribe the powers and duties of public officers and state departments; to provide for the inspection of certain taxpayer records; to provide for interest and penalties; to provide exemptions, credits, and refunds; to provide for the disposition of funds; to provide for the interrelation of this act with other acts; and to make appropriations,".

The Senate agreed to the full title.

The following bill was read a third time:

# House Bill No. 4264, entitled

A bill to amend 2007 PA 36, entitled "Michigan business tax act," by amending section 435 (MCL 208.1435), as amended by 2008 PA 448.

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. 574

#### Yeas-34

Allen	Cherry	Hunter	Patterson
Anderson	Clark-Coleman	Jacobs	Prusi
Barcia	Clarke	Jansen	Richardville
Basham	Cropsey	Jelinek	Sanborn
Birkholz	Garcia	Kahn	Stamas
Bishop	George	Kuipers	Switalski
Brater	Gilbert	Olshove	Van Woerkom
Brown	Gleason	Pappageorge	Whitmer
Cossis	Uardiman		

Cassis Hardiman

Nays-0

Excused—3

McManus Scott Thomas

Not Voting—0

In The Chair: Richardville

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

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

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

"An act to meet deficiencies in state funds by providing for the imposition, levy, computation, collection, assessment, reporting, payment, and enforcement of taxes on certain commercial, business, and financial activities; to prescribe the powers and duties of public officers and state departments; to provide for the inspection of certain taxpayer records; to provide for interest and penalties; to provide exemptions, credits, and refunds; to provide for the disposition of funds; to provide for the interrelation of this act with other acts; and to make appropriations,".

The Senate agreed to the full title.

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

# House Bill No. 4999, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 722 (MCL 257.722), as amended by 2008 PA 579.

# Senate Bill No. 955, entitled

A bill to amend 1995 PA 279, entitled "Horse racing law of 1995," by amending the title and sections 2, 3, 4, 6, 7, 8, 9, 10, 12, 13, 14, 15, 16, 17, 18, 19, 19a, 20, 21, 22, 23, 25, 30, 31, 33, and 34 (MCL 431.302, 431.303, 431.304, 431.306, 431.307, 431.308, 431.309, 431.310, 431.312, 431.313, 431.314, 431.315, 431.316, 431.317, 431.318, 431.319, 431.320, 431.321, 431.322, 431.323, 431.325, 431.330, 431.331, 431.333, and 431.334), sections 2 and 4 as amended by 2006 PA 445, sections 7, 9, 10, and 12 as amended by 2000 PA 164, sections 14, 17, and 18 as amended and section 19a as added by 1998 PA 408, section 16 as amended by 2005 PA 7, and section 20 as amended by 2006 PA 185; and to repeal acts and parts of acts.

# Senate Bill No. 956, entitled

A bill to amend 1951 PA 90, entitled "An act to regulate the conducting of racing meets in the state of Michigan; to provide for the possession, control and disposition of funds held by licensees for the payment of outstanding winning tickets not claimed or demanded by the lawful owners of such funds; and to prescribe penalties for violations of the provisions of this act," by amending sections 2, 3, and 4 (MCL 431.252, 431.253, and 431.254), as amended by 1998 PA 505.

#### Senate Bill No. 957, entitled

A bill to amend 1997 PA 70, entitled "Compulsive gaming prevention act," by amending sections 4 and 5 (MCL 432.254 and 432.255).

# Senate Bill No. 958, entitled

A bill to amend 1978 PA 472, entitled "An act to regulate political activity; to regulate lobbyists, lobbyist agents, and lobbying activities; to require registration of lobbyists and lobbyist agents; to require the filing of reports; to prescribe the powers and duties of the department of state; to prescribe penalties; and to repeal certain acts and parts of acts," by amending section 5 (MCL 4.415), as amended by 1986 PA 83.

The bills were placed on the order of Third Reading of Bills.

#### Resolutions

Senator Cropsey moved that consideration of the following resolutions be postponed for today:

Senate Resolution No. 41 Senate Resolution No. 75

The motion prevailed.

#### Senate Concurrent Resolution No. 26.

A concurrent resolution relative to secondary road patrol funds for counties, cities, and villages.

The question being on the adoption of the concurrent resolution,

The concurrent resolution was adopted.

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

Senators Brown and Cassis introduced

# Senate Bill No. 966, entitled

A bill to amend 1965 PA 166, entitled "An act to require prevailing wages and fringe benefits on state projects; to establish the requirements and responsibilities of contracting agents and bidders; and to prescribe penalties," by amending section 8 (MCL 408.558).

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

Senator Clarke introduced

# Senate Bill No. 967, entitled

A bill to designate August 7 of each year as Dr. Ralph Bunche Day in the state of Michigan.

The bill was read a first and second time by title and referred to the Committee on Local, Urban and State Affairs.

#### House Bill No. 4245, entitled

A bill to amend 1976 PA 388, entitled "Michigan campaign finance act," by amending section 57 (MCL 169.257), as amended by 2001 PA 250.

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 Campaign and Election Oversight.

# House Bill No. 4284, entitled

A bill to amend 1976 PA 388, entitled "Michigan campaign finance act," by amending section 55 (MCL 169.255), as amended by 1995 PA 264.

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 Campaign and Election Oversight.

# House Bill No. 4568, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by amending section 231a (MCL 750.231a), as amended by 2008 PA 196.

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. 4893, 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 House of Representatives has passed the bill.

The bill was read a first and second time by title and referred to the Committee on Local, Urban and State Affairs.

# House Bill No. 4997, entitled

A bill to amend 1976 PA 388, entitled "Michigan campaign finance act," by amending sections 15, 16, 22, 26, 28, 29, 33, 35, 41, 42, 52, 55, and 57 (MCL 169.215, 169.216, 169.222, 169.226, 169.228, 169.229, 169.233, 169.235, 169.241, 169.242, 169.252, 169.255, and 169.257), sections 15, 26, 29, 42, 52, and 57 as amended by 2001 PA 250, section 16 as amended by 2000 PA 50, sections 22, 28, and 41 as amended by 1999 PA 237, section 33 as amended by 1999 PA 238, section 35 as amended by 2000 PA 75, and section 55 as amended by 1995 PA 264, and by adding sections 43a and 48.

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 Campaign and Election Oversight.

#### House Bill No. 5200, entitled

A bill to amend 1980 PA 299, entitled "Occupational code," by amending section 2511 (MCL 339.2511), as amended by 1990 PA 164.

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 and Regulatory Reform.

#### House Bill No. 5201, entitled

A bill to repeal 1972 PA 286, entitled "Land sales act," (MCL 565.801 to 565.835).

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 and Regulatory Reform.

#### House Bill No. 5525, entitled

A bill to authorize the county board of commissioners of any county in this state to establish a farmers market or flea market; and to prescribe the powers and duties of certain local officers and officials.

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

The bill was read a first and second time by title and referred to the Committee on Local, Urban and State Affairs.

#### **Statements**

Senators Brater, Garcia, Cropsey, Cherry, Sanborn, Anderson and Clark-Coleman asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Brater's statement is as follows:

Mr. President, I would like to join you in welcoming our new member, Senator-elect Mike Nofs, and we look forward to working with him.

I, however, rose in addition to take objection to the action of the Senate last week, playing politics with the health of the people in this state. The QAAP bill as passed by the House was very well-intentioned. It was an attempt to retrieve \$700 million of federal funding that is being left on the table in Washington because of our failure to provide state matching funds.

It is very unfortunate that the bill was discharged from committee in a politically-motivated procedural maneuver without allowing the committee process time to address some flaws in the bill. Some concerns about it that I had were the methods of calculating what physicians would owe in the QAAP fee. There was also a need to create a mechanism that would ensure reimbursement to physicians who paid into the fund. If we had been given time, we might have found a way to work out some of the problems with the bill. This is the purpose of a bill passing through two houses and their committee processes before it goes to the Governor. It is very unfortunate that the Senate leadership chose to disregard the urgent need to properly fund Medicaid and instead forced a premature vote on this issue.

A similar maneuver was involved with the discharge of Senate Bill No. 798 a few weeks ago in the middle of the night. It was a bill that was not ready for coming out on the floor. It was a bill—I was one of two Senators who supported it—which would have raised the income tax rate. I viewed spending \$400 more a year for a family with an income of \$100,000 an advantage over losing a \$4,000 Promise scholarship grant, but we were weren't again given the opportunity to fully debate that option. It was sprung upon us without preparation.

In both cases, there was insufficient committee work to develop the legislation and allow members to deliberate on the complex policy issues involved.

Now Senate majority leaders and some in the press are construing these votes as Senate Democrats' lack of support for revenues to help address the severe fiscal crisis that Michigan is undergoing. This is misleading and false. Our Democratic Leader has clearly articulated some of the possible revenue solutions that we could support. It is urgent that we address not only the underfunding of health care, but also public education, higher education, public safety, revenue sharing, and many other essential state programs.

The Governor and Senate Democrats have laid out detailed plans for ways that we can reduce tax expenditures by closing loopholes and eliminating outdated tax credits—enacting some targeted tax increases such as raising taxes on non-cigarette tobacco products and perhaps bottled water and perhaps raising fees by allowing establishments to have extended liquor licenses. There are a number of concrete solutions that have been put on the table.

In my opinion, we also need to look at restructuring the sales tax to include a sales tax on services and amending the Constitution to enact a graduated income tax to have a more progressive tax system in this state. We also need to revisit Proposal A, which is obviously underfunding our public education programs. But we will not have the tools we need to move Michigan forward as we reinvent our economy and reinvest in education and pursue other essential state government services and functions unless we take a serious look at these revenue options.

So it is incumbent upon us to get down to some serious work, give up this political grandstanding that has been going on on this floor, and roll up our sleeves and work in a bipartisan manner to find some serious solutions.

#### Senator Garcia's statement is as follows:

As you may recall, I was absent last week due to my National Guard responsibilities. What I would like to do is give my voting intentions for last week. On Roll Call No. 533, on October 15, I would have voted "yes." On October 27, Roll Call Nos. 553-555, I would have voted "yes." On Roll Call Nos. 556-557, dealing with the physicians quality assurance assessment tax, I would have voted "no." On Roll Call Nos. 558-560, I would have voted "yes." On Roll Call Nos. 561-563, I would have voted "no." On October 29, Roll Call Nos. 564-565, I would have voted "yes." On Roll Call No. 566, Call of the Senate, I could not vote. On Roll Call Nos. 567-568, I would have voted "yes."

#### Senator Cropsey's statement is as follows:

I wish to take issue with one of the previous speakers, dealing with the doctors tax bill. There was bipartisan opposition to that bill. It was brought keenly to my attention, just yesterday, when I had a doctor's appointment and my physician thanked me for voting against the legislation. He then stated to me that he knew of an oncologist that because of that line of work and the massive amount of investment it takes, the 3 percent would have more than wiped out the doctor's pay entirely with that legislation. I think that this body did absolutely the right thing by saying, "You know what? This is not even a feasible piece of legislation."

I think it was well past time for us to have voted on Senate Bill No. 166, which was the auto insurance bill. You know, for six—almost seven years—we had heard almost every day: "Move my bill." We did move the bill, people voted, and once again there was bipartisan opposition to it. But somehow voting my constituency that would have had a 33 percent to 50 percent increase in their insurance rates under that legislation is partisan. I reject that. I think people here voted their conscience and voted their district. To even suggest and bring up that opposition to these bills is somehow political is a very political statement.

There was such overwhelming bipartisan opposition to both bills. I would hope that in the future when people come up with solutions that they would ask for input from both sides of the aisle to see what can actually fly in this body and not keep demanding that certain things be done, and when they are done, say that it is partisan somehow.

#### Senator Cherry's statement is as follows:

Just a response to the last speaker, the Majority Floor Leader. I guess I just want to say that it is very partisan when debate is not even allowed on a bill. That, I think, is one of the things that I find so outrageous about this system here. We as people who are elected from our own districts with equal rights to representation are not allowed to debate a bill. That, to me, is very partisan, and I don't think anyone in this chamber would argue that you have the right to cut that debate off. I understand that, but you are also not respecting the rights of the minority when you do that. That is partisan.

#### Senator Sanborn's statement is as follows:

In response to the well-respected Senator from the 26th District. I am amazed at this little charade that is being played here. For six years and ten months, you ask to, "move my bills," and we have an opportunity to give her the debate—the entire chamber the debate—to prepare for six years and ten months on that argument of whether or not 3 out of 4 Michigan drivers should subsidize the rates to lower Detroit rates, but 3 out of 4 drivers in the state of Michigan are going to pay more.

To have six years and ten months to prepare and then to debate this issue extensively on the floor and to get up and say this issue was not debated, this issue has been around for a long, long time. It was thoroughly debated on the floor. Then you could not even get a unified Democrat Caucus to support the issue because they knew that this was a loser. You did not even have all the votes of the Democrats. Now you are saying it is political gamesmanship. Get your own house in order. Get a unified caucus. You had six years and ten months to prepare. Prepare a little bit better; you had the time. We had a floor debate, and you lost the vote because, as the good Senator from DeWitt said, it was a vote of conscience. We were representing our constituencies. I, for one, as do several of my caucus members and even members of your caucus, believe that 3 out of 4 drivers in the state of Michigan should not pay more so that drivers in the inner cities can pay less.

#### Senator Anderson's statement is as follows:

It is unfortunate that we hear the tenor of some of the comments that are coming from the other side of the aisle from the chairman of the insurance committee. It is unfortunate that he would take such an action as he did last week by not

having in the six-plus years not ever having a hearing on that bill. Regardless of whether or not members from both sides of the aisle would support that legislation, it deserved a hearing in committee.

I would say if he is not willing to handle that; if he wants to abdicate his responsibilities as chair of the insurance committee, then maybe he ought to step down and pass the gavel to someone else.

Senator Clark-Coleman's statement is as follows:

First of all, I would urge the previous speaker to make his remarks in the insulting way that he has done throughout this whole issue and at a time in which the preparer of that bill is here.

You know, we really need to stop these games that we are playing. He knows darn well the way in which that bill was discharged to the floor was insulting to a person who has for years just asked to have a fair hearing on the bill. But to get up here and act all innocent like this is something that he is unaware of what he has done wrong and to paint a picture to try to separate the cities from suburbs, as is the practice of the previous speaker over and over again, is insulting to me. Let's try to get along. Let's try to work as both suburbs and urban districts. Why do we always have to be in this mode of trying to destroy one city in order to raise up another? Shame on you. The next time you want to attack the lady who has worked hard for this throughout the years, make sure she is here to defend herself. Shame on you. Who do you think you are? You are a mean, mean person.

# **Committee Reports**

The Committee on Appropriations reported

#### Senate Resolution No. 88.

A resolution to urge the Michigan House of Representatives to begin the veto override process on the Governor's lineitem veto of the section 20j hold harmless school aid funding in 2009 PA 121.

(For text of resolution, see Senate Journal No. 88, p. 2053.)

With the recommendation that the resolution be adopted.

Ron Jelinek Chairperson

To Report Out:

Yeas: Senators Jelinek, Pappageorge, Kahn, Cropsey, George, Brown, Stamas, Switalski, Anderson and Brater

Nays: Senators Hardiman, Jansen, McManus, Cherry and Clark-Coleman

The resolution was placed on the order of Resolutions.

#### COMMITTEE ATTENDANCE REPORT

The Committee on Appropriations submitted the following:

Meeting held on Wednesday, October 28, 2009, at 2:00 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building Present: Senators Jelinek (C), Pappageorge, Hardiman, Kahn, Cropsey, George, Jansen, Brown, McManus, Stamas, Switalski, Anderson, Brater, Cherry and Clark-Coleman

Excused: Senators Garcia, Barcia and Scott

The Committee on Agriculture and Bioeconomy reported

#### Senate Bill No. 955, entitled

A bill to amend 1995 PA 279, entitled "Horse racing law of 1995," by amending the title and sections 2, 3, 4, 6, 7, 8, 9, 10, 12, 13, 14, 15, 16, 17, 18, 19, 19a, 20, 21, 22, 23, 25, 30, 31, 33, and 34 (MCL 431.302, 431.303, 431.304, 431.306, 431.307, 431.308, 431.309, 431.310, 431.312, 431.313, 431.314, 431.315, 431.316, 431.317, 431.318, 431.319, 431.319a, 431.320, 431.321, 431.322, 431.323, 431.325, 431.330, 431.331, 431.333, and 431.334), sections 2 and 4 as amended by 2006 PA 445, sections 7, 9, 10, and 12 as amended by 2000 PA 164, sections 14, 17, and 18 as amended and section 19a as added by 1998 PA 408, section 16 as amended by 2005 PA 7, and section 20 as amended by 2006 PA 185; and to repeal acts and parts of acts.

With the recommendation that the bill pass.

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

Gerald Van Woerkom Chairperson To Report Out:

Yeas: Senators Van Woerkom, Gilbert, Birkholz and Gleason

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Agriculture and Bioeconomy reported

# Senate Bill No. 956, entitled

A bill to amend 1951 PA 90, entitled "An act to regulate the conducting of racing meets in the state of Michigan; to provide for the possession, control and disposition of funds held by licensees for the payment of outstanding winning tickets not claimed or demanded by the lawful owners of such funds; and to prescribe penalties for violations of the provisions of this act," by amending sections 2, 3, and 4 (MCL 431.252, 431.253, and 431.254), as amended by 1998 PA 505.

With the recommendation that the bill pass.

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

Gerald Van Woerkom Chairperson

To Report Out:

Yeas: Senators Van Woerkom, Gilbert and Birkholz

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Agriculture and Bioeconomy reported

# Senate Bill No. 957, entitled

A bill to amend 1997 PA 70, entitled "Compulsive gaming prevention act," by amending sections 4 and 5 (MCL 432.254 and 432.255).

With the recommendation that the bill pass.

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

Gerald Van Woerkom Chairperson

To Report Out:

Yeas: Senators Van Woerkom, Gilbert, Birkholz and Gleason

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Agriculture and Bioeconomy reported

# Senate Bill No. 958, entitled

A bill to amend 1978 PA 472, entitled "An act to regulate political activity; to regulate lobbyists, lobbyist agents, and lobbying activities; to require registration of lobbyists and lobbyist agents; to require the filing of reports; to prescribe the powers and duties of the department of state; to prescribe penalties; and to repeal certain acts and parts of acts," by amending section 5 (MCL 4.415), as amended by 1986 PA 83.

With the recommendation that the bill pass.

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

Gerald Van Woerkom Chairperson

To Report Out:

Yeas: Senators Van Woerkom, Gilbert and Birkholz

Nays: None

The bill was referred to the Committee of the Whole.

# COMMITTEE ATTENDANCE REPORT

The Committee on Agriculture and Bioeconomy submitted the following:

Meeting held on Thursday, October 29, 2009, at 9:00 a.m., Room 110, Farnum Building

Present: Senators Van Woerkom (C), Gilbert, Birkholz and Gleason

Excused: Senator Whitmer

# **Scheduled Meetings**

# **Appropriations -**

Subcommittee -

**Community Health Department -** Tuesday, November 10, 9:00 a.m., Senate Hearing Room, Ground Floor, Boji Tower (373-2768)

Education - Thursday, November 5, 2:30 p.m., Room 210, Farnum Building (373-6920)

Energy Policy and Public Utilities - Thursday, November 5, 1:00 p.m., Room 210, Farnum Building (373-7350)

Hunting, Fishing and Outdoor Recreation - Thursday, November 12, 1:00 p.m., Room 100, Farnum Building (373-1777)

**Legislative Commission on Statutory Mandates -** Monday, November 16, 9:00 a.m., Waterford Room, 1st Floor, Oakland County Executive Office Building, 2100 North Pontiac Lake Road, Waterford (373-0212)

Legislative Retirement Board of Trustees - Thursday, December 3, 2:00 p.m., Room H-252, Capitol Building (373-0575)

Senator Cropsey moved that the Senate adjourn. The motion prevailed, the time being 12:40 p.m.

The President pro tempore, Senator Richardville, declared the Senate adjourned until Thursday, November 5, 2009, at 10:00 a.m.

CAROL MOREY VIVENTI Secretary of the Senate