No. 51 STATE OF MICHIGAN

Journal of the Senate

96th Legislature REGULAR SESSION OF 2011

Senate Chamber, Lansing, Wednesday, June 8, 2011.

10:00 a.m.

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

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

Anderson—present
Bieda—present
Booher—present
Brandenburg—present
Casperson—present
Caswell—present
Colbeck—present
Emmons—present
Gleason—present
Green—present
Gregory—present
Hansen—present
Hildenbrand—present

Hood—present
Hopgood—present
Hune—present
Hunter—present
Jansen—present
Johnson—present
Jones—present
Kahn—present
Kowall—present
Marleau—present
Meekhof—present
Moolenaar—present
Nofs—present

Pappageorge—present
Pavlov—present
Proos—present
Richardville—present
Robertson—present
Rocca—present
Schuitmaker—present
Smith—present
Walker—present
Warren—present
Whitmer—present
Young—present

Senator Vincent Gregory of the 14th District offered the following invocation:

O God, from whom all power comes, by whose divine will all must abide, we thank You for our civil liberties and freedom, for our opportunities and our privileges. We beg of You to bless, assist, and enlighten the Senators from this state. May we prove worthy of the confidence placed in us by our fellow citizens. May we be just and upright in our thinking, honest in all our actions, and ever be guided by a true conscience in the legislation we propose or vote upon.

Forgive us all our mistakes, and remove our selfish tendencies. Prepare us with good deeds and kind words when dealing with our colleagues. Let us replace the word "partisanship" with "partnership" in our goal to build a better Michigan for the families we represent.

Guide us, O Lord, so that all decisions that we make will be pleasing in Your sight. Let us be ever mindful that You alone are all-knowing and all-powerful. Let us humble ourselves in prayer as we pass life-altering laws for the people of the state of Michigan.

We ask these and all things in Your holy name. Amen.

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

Motions and Communications

Senator Brandenburg entered the Senate Chamber.

Senator Meekhof moved that Senator Hildenbrand be temporarily excused from today's session. The motion prevailed.

Senator Hunter moved that Senator Hopgood be temporarily excused from today's session. The motion prevailed.

Senator Meekhof moved that rule 3.902 be suspended to allow the guests of Senator Emmons admittance to the Senate floor.

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

Recess

Senator Meekhof moved that the Senate recess subject to the call of the Chair. The motion prevailed, the time being 10:06 a.m.

10:47 a.m.

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

During the recess, Senators Smith, Hood and Hopgood entered the Senate Chamber.

The Secretary announced that the following House bills were received in the Senate and filed on Tuesday, June 7: **House Bill Nos.** 4307 4316 4452

The Secretary announced that the following official bill was printed on Tuesday, June 7, and is available at the legislative website:

Senate Bill No. 409

By unanimous consent the Senate proceeded to the order of

General Orders

Senator Meekhof 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 Schuitmaker, designated Senator Caswell as Chairperson.

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

Senate Bill No. 249, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by amending section 218 (MCL 750.218), as amended by 2004 PA 154.

Senate Bill No. 251, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 24 of chapter VII (MCL 767.24), as amended by 2005 PA 35.

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: Senate Bill No. 43, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," (MCL 750.1 to 750.568) by adding section 219d. Substitute (S-1).

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: Senate Bill No. 44, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 16*l* of chapter XVII (MCL 777.16*l*), as amended by 2005 PA 171.

Substitute (S-1).

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: Senate Bill No. 250, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 16*l* of chapter XVII (MCL 777.16*l*), as amended by 2005 PA 171.

Substitute (S-1).

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: Senate Bill No. 252, entitled

A bill to amend 2003 PA 238, entitled "Michigan notary public act," by amending sections 41, 43, and 49 (MCL 55.301, 55.303, and 55.309).

Substitute (S-3).

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: Senate Bill No. 253, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 11c of chapter XVII (MCL 777.11c), as added by 2002 PA 31.

Substitute (S-1).

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

By unanimous consent the Senate returned to the order of

Messages from the Governor

Senator Hildenbrand entered the Senate Chamber.

The following messages from the Governor were received and read:

May 20, 2011

I respectfully submit to the Senate the following appointments to office:

Michigan Aeronautics Commission

J. David Vander Veen of 5479 Bristol Parke Drive, Clarkston, Michigan 48348, county of Oakland, succeeding Jonathan Thomas Freye, is appointed for a term expiring May 27, 2015.

Peter Jay Kamarainen of 109 Oakwood Street, Grand Ledge, Michigan 48837, county of Eaton, succeeding Terry J. Everman, is appointed for a term expiring May 27, 2015.

May 24, 2011

I respectfully submit to the Senate the following appointments to office:

State Board of Professional Surveyors

Ronald C. Brand of 533 Greenfield Drive, Gaylord, Michigan 49735, county of Otsego, representing professional surveyors, succeeding William L. Karr, is appointed for a term expiring March 31, 2015.

Kenneth R. Van Tine of 21109 Gill Road, Farmington Hills, Michigan 48167, county of Oakland, representing architects, succeeding Daniel A. Redstone, is appointed for a term expiring March 31, 2015.

Sincerely, Rick Snyder Governor

The appointments were referred to the Committee on Government Operations.

By unanimous consent the Senate proceeded to the order of

Resolutions

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

House Concurrent Resolution No. 7 House Concurrent Resolution No. 8 Senate Resolution No. 34 The motion prevailed.

The motion prevance.

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

Senate Resolution No. 58

The resolution consent calendar was adopted.

Senator Hansen offered the following resolution:

Senate Resolution No. 58.

A resolution commemorating June 11-19, 2011, as Aquatic Invasive Species Awareness Week in Michigan.

Whereas, Michigan and its economy are defined by the Great Lakes and depend on its great abundance of freshwater for manufacturing, tourism, fishing, public water supplies, agriculture, and numerous other uses; and

Whereas, Preventing the introduction of aquatic invasive species ultimately benefits the state of Michigan, and stopping the introduction of these species would eliminate the need of the state of Michigan, business, industry, and citizens from employing costly methods to control and manage them; and

Whereas, Michigan has taken the lead in protecting the Great Lakes from aquatic invasive species from a number of pathways, including ballast water, canals and waterways, organisms in trade, and recreational activities; and

Whereas, Over 180 nonindigenous aquatic invasive species have been introduced to the Great Lakes, many of which are displacing native species, disrupting habitats and degrading natural, managed and agricultural landscapes, resulting in millions of dollars for control efforts each year; and

Whereas, Michigan has over 1 million registered boaters and many other recreational, commercial, and industrial users of over 46,000 lakes and ponds and over 76,000 miles of streams in the state, many of which are impacted by aquatic invasive species; and

Whereas, Aquatic invasive species awareness is an important first step towards behavior change, which prevents the introduction and spread of aquatic invasive species; and

Whereas, Spring marks the beginning of water-related recreational activities in Michigan; and

Whereas, Aquatic Invasive Species Awareness Week is an opportunity for government to join forces with business, industry, environmental groups, community organizations, and citizens to take action against the introduction and spread of aquatic invasive species; now, therefore, be it

Resolved by the Senate, That we hereby commemorate June 11-19, 2011, as Aquatic Invasive Species Awareness Week; and be it further

Resolved, That all citizens are encouraged to increase their understanding and awareness of aquatic invasive species and their ecological and economic impacts and take preventive measures to stop the spread and introduction of aquatic invasive species; and be it further

Resolved, That a copy of this resolution be transmitted to the Michigan Department of Environmental Quality, Michigan Department of Agriculture, Michigan Department of Natural Resources, Michigan Department of Transportation, Great Lakes Fishery Commission, Council of Great Lakes Governors, Michigan congressional delegation, and the Great Lakes Commis-

Senators Bieda, Booher, Brandenburg, Gleason, Green, Hopgood, Kowall, Marleau, Pappageorge, Pavlov, Proos and Richardville were named co-sponsors of the resolution.

Senators Casperson, Pappageorge, Emmons, Moolenaar and Robertson offered the following resolution: Senate Resolution No. 59.

A resolution to memorialize Congress to modernize the Toxic Substances Control Act (TSCA).

Whereas, Billions of pounds of chemicals are manufactured or imported in the United States each day for use in industrial processes or in the manufacture of commercial products. Many of these useful substances can be hazardous to human health or the environment in certain instances. American consumers deserve to have confidence that the products they buy are safe when used as intended; and

Whereas, A federal chemical management program should make protecting the public health, including children's health, its highest priority. Strict government oversight through a chemical management program should also strive to preserve America's role as the world's leading innovator and employer in the manufacture, use, and commercial distribution of chemicals; and

Whereas, Congress enacted the Toxic Substances Control Act (TSCA) in 1976 to regulate chemicals with the intention of preventing new and mitigating existing public health and environmental hazards. Since that law was enacted 35 years ago, scientific understanding of the public health and environmental impact of chemicals has advanced significantly. These advances in scientific knowledge need to be incorporated into the nation's chemical management program; and

Whereas, Momentum is growing for Congress to act to modernize the TSCA. A robust federal chemical management system will obviate the need for state governments to adopt different, and at times conflicting, state regulatory programs that have the potential for negative impacts on the national economy. Federal action should strengthen the TSCA to:

- (a) Ensure that chemicals are safe for their intended use;
- (b) Require the U.S. Environmental Protection Agency (EPA) to systematically prioritize chemicals for the purpose of assessing their safe use;
 - (c) Require that the EPA act expeditiously and efficiently in assessing the safe use of chemicals;
- (d) Require that all involved in the manufacture, import, processing, distribution, or use of chemicals be encouraged to provide the EPA with relevant information to the extent necessary to make safety determinations;
 - (e) Assure that potential risks to children from exposures to chemicals are considered in the assessment of safe use;
- (f) Empower the EPA to impose a range of risk management controls to ensure that chemicals are safe for their intended
- (g) Encourage companies and the EPA to work together to enhance public access to chemical health and safety infor-
- (h) Require that the EPA rely on scientifically valid data and information, regardless of its source, including data and information reflecting modern advances in science and technology;
 - (i) Enable the EPA to have the staff, resources, and regulatory tools it needs to ensure the safety of chemicals; and
- (j) Ensure that the TSCA remains a vehicle to promote and encourage technological innovation and the maintenance of a globally-competitive industry in the United States; now, therefore, be it

Resolved by the Senate, That we memorialize Congress to modernize the Toxic Substances Control Act; and be it further Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

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

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

The question being on the adoption of the resolution,

Senator Meekhof moved that the resolution be referred to the Committee on Natural Resources, Environment and Great Lakes.

The motion prevailed.

Senators Booher, Brandenburg, Green, Kowall, Marleau, Proos and Richardville were named co-sponsors of the resolution.

Recess

Senator Meekhof moved that the Senate recess subject to the call of the Chair. The motion prevailed, the time being 11:08 a.m.

11:15 a.m.

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

By unanimous consent the Senate returned to the order of

Third Reading of Bills

The following bill was read a third time:

Senate Bill No. 281, entitled

A bill to require the operators of bowling centers to give certain notices to bowlers; and to grant immunity from civil liability to operators of bowling centers.

Yeas-30

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. 276

Booher	Hansen	Kowall	Proos
Brandenburg	Hildenbrand	Marleau	Richardville
Casperson	Hune	Meekhof	Robertson
Caswell	Hunter	Moolenaar	Rocca
Colbeck	Jansen	Nofs	Schuitmaker
Emmons	Johnson	Pappageorge	Smith
Gleason	Jones	Pavlov	Walker
Green	Kahn		

Nays—8

Anderson	Gregory	Hopgood	Whitmer
Bieda	Hood	Warren	Young

Excused—0

Not Voting—0

In The Chair: Schuitmaker

The Senate agreed to the title of the bill.

The following bill was read a third time:

Senate Bill No. 384, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending sections 17048, 17049, 17050, 17076, 17078, 17548, 17549, 17745, 17757, 18048, 18049, and 20201 (MCL 333.17048, 333.17049, 333.17050, 333.17076, 333.17078, 333.17548, 333.17549, 333.1745, 333.17577, 333.18048, 333.18049, and 333.20201), section 17048 as

amended by 2010 PA 124, sections 17049 and 17549 as amended by 2004 PA 512, section 17050 as amended by 1990 PA 247, sections 17076 and 17548 as amended by 1996 PA 355, section 17078 as amended and sections 18048 and 18049 as added by 2006 PA 161, section 17745 as amended by 2006 PA 672, section 17757 as amended by 1986 PA 304, and section 20201 as amended by 2006 PA 38.

The question being on the passage of the bill,

Senator Marleau offered the following amendments:

- 1. Amend page 14, line 25, after "name" by striking out "AND" and inserting "OR".
- 2. Amend page 14, line 26, after "AUTHORITY," by inserting "SHALL LIST".
- 3. Amend page 19, line 2, after "prescriber" by striking out "AND" and inserting "OR".
- 4. Amend page 19, line 3, after "AUTHORITY," by inserting "SHALL LIST".

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

Senator Marleau offered the following amendments:

- 1. Amend page 1, following "THE PEOPLE OF THE STATE OF MICHIGAN ENACT:" by inserting:
- "Sec. 16104. (1) "DEA REGISTRATION NUMBER" MEANS THE NUMBER ASSOCIATED WITH A CERTIFICATE OF REGISTRATION ISSUED TO A PRACTITIONER TO PRESCRIBE, DISPENSE, OR ADMINISTER CONTROLLED SUBSTANCES BY THE UNITED STATES DEPARTMENT OF JUSTICE DRUG ENFORCEMENT ADMINISTRATION.
- (2)(1) "Delegation" means an authorization granted by a licensee to a licensed or unlicensed individual to perform selected acts, tasks, or functions that fall within the scope of practice of the delegator and that are not within the scope of practice of the delegatee and that, in the absence of the authorization, would constitute illegal practice of a licensed profession.
 - (3)(2) "Department" means the department of commerce-LICENSING AND REGULATORY AFFAIRS.
 - (4)(3) "Director" means the director of commerce-THE DEPARTMENT or the director's designee.
 - (5)(4) "Disciplinary subcommittee" means a disciplinary subcommittee appointed under section 16216.
- (6)(5) "Good moral character" means good moral character as defined and determined under Act No. 381 of the Public Acts of 1974, as amended, being sections 1974 PA 381, MCL 338.41 to 338.47. of the Michigan Compiled Laws."
- 2. Amend page 3, line 16, after "dispensing." by inserting "WHEN THE DELEGATED ORDERING, RECEIPT, OR DISPENSING OF COMPLIMENTARY STARTER DOSE DRUGS THAT ARE INCLUDED IN SCHEDULES 2 TO 5 OCCURS, BOTH THE PHYSICIAN'S ASSISTANT'S AND THE SUPERVISING PHYSICIAN'S DEA REGISTRATION NUMBERS SHALL BE USED, RECORDED, OR OTHERWISE INDICATED IN CONNECTION WITH EACH ORDER, RECEIPT, OR DISPENSING.".
- 3. Amend page 8, line 22, after "prescribing." by inserting "WHEN DELEGATED PRESCRIPTION OF DRUGS THAT ARE INCLUDED IN SCHEDULES 2 TO 5 OCCURS, BOTH THE PHYSICIAN'S ASSISTANT'S AND THE SUPERVISING PHYSICIAN'S DEA REGISTRATION NUMBERS SHALL BE USED, RECORDED, OR OTHERWISE INDICATED IN CONNECTION WITH EACH INDIVIDUAL PRESCRIPTION.".
- 4. Amend page 9, line 8, after "dispensing." by inserting "WHEN THE DELEGATED ORDERING, RECEIPT, OR DISPENSING OF COMPLIMENTARY STARTER DOSE DRUGS THAT ARE INCLUDED IN SCHEDULES 2 TO 5 OCCURS, BOTH THE PHYSICIAN'S ASSISTANT'S AND THE SUPERVISING PHYSICIAN'S DEA REGISTRATION NUMBERS SHALL BE USED, RECORDED, OR OTHERWISE INDICATED IN CONNECTION WITH EACH ORDER, RECEIPT, OR DISPENSING.".
- 5. Amend page 11, line 18, after "dispensing." by inserting "WHEN THE DELEGATED ORDERING, RECEIPT, OR DISPENSING OF COMPLIMENTARY STARTER DOSE DRUGS THAT ARE INCLUDED IN SCHEDULES 2 TO 5 OCCURS, BOTH THE PHYSICIAN'S ASSISTANT'S AND THE SUPERVISING PHYSICIAN'S DEA REGISTRATION NUMBERS SHALL BE USED, RECORDED, OR OTHERWISE INDICATED IN CONNECTION WITH EACH ORDER, RECEIPT, OR DISPENSING.".

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

The question being on the passage of the bill,

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

Roll Call No. 277 Yeas—38

Anderson Gregory Kahn Richardville Bieda Hansen Kowall Robertson Booher Hildenbrand Marleau Rocca Brandenburg Hood Meekhof Schuitmaker Casperson Hopgood Moolenaar Smith Caswell Hune Nofs Walker

ColbeckHunterPappageorgeWarrenEmmonsJansenPavlovWhitmerGleasonJohnsonProosYoungGreenJones

Nays—0

Excused—0

Not Voting—0

In The Chair: Schuitmaker

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

A bill to amend 1978 PA 368, entitled "Public health code," by amending sections 16104, 17048, 17049, 17050, 17076, 17078, 17548, 17549, 17745, 17757, 18048, 18049, and 20201 (MCL 333.16104, 333.17048, 333.17049, 333.17050, 333.17076, 333.17078, 333.17548, 333.17549, 333.17745, 333.17757, 333.18048, 333.18049, and 333.20201), section 16104 as amended by 1993 PA 80, section 17048 as amended by 2010 PA 124, sections 17049 and 17549 as amended by 2004 PA 512, section 17050 as amended by 1990 PA 247, sections 17076 and 17548 as amended by 1996 PA 355, section 17078 as amended and sections 18048 and 18049 as added by 2006 PA 161, section 17745 as amended by 2006 PA 672, section 17757 as amended by 1986 PA 304, and section 20201 as amended by 2006 PA 38.

The amendment to the title was adopted.

The Senate agreed to the title as amended.

Introduction and Referral of Bills

Senators Green, Caswell, Richardville, Emmons, Gleason, Smith, Whitmer, Bieda, Young, Hood, Gregory, Johnson, Pappageorge, Booher and Warren introduced

Senate Bill No. 414, entitled

A bill to amend 1980 PA 350, entitled "The nonprofit health care corporation reform act," (MCL 550.1101 to 550.1704) by adding section 416e.

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

Senators Hunter, Caswell, Richardville, Emmons, Gleason, Smith, Whitmer, Bieda, Young, Hood, Gregory, Johnson, Pappageorge, Booher and Warren introduced

Senate Bill No. 415, entitled

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," (MCL 500.100 to 500.8302) by adding section 3406s.

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

Senators Caswell, Jones, Colbeck, Rocca, Pappageorge and Marleau introduced

Senate Bill No. 416, entitled

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending sections 504, 810a, 8121, 8150, and 8176 (MCL 600.504, 600.810a, 600.8121, 600.8150, and 600.8176), section 504 as amended by 2002 PA 715, section 810a as amended by 2004 PA 492, section 8121 as amended by 2001 PA 258, and section 8176 as amended by 2002 PA 92.

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

Senator Hood introduced

Senate Bill No. 417, entitled

A bill to amend 1976 PA 331, entitled "Michigan consumer protection act," by amending section 4 (MCL 445.904), as amended by 2003 PA 216.

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

Senators Jones, Marleau, Meekhof, Rocca, Booher, Proos and Schuitmaker introduced

Senate Bill No. 418, entitled

A bill to amend 2008 IL 1, entitled "Michigan medical marihuana act," by amending section 7 (MCL 333.26427).

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

Senators Whitmer, Warren and Anderson introduced

Senate Bill No. 419, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," by amending section 1212 (MCL 380.1212), as amended by 2003 PA 299.

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

Senators Casperson, Green, Caswell, Emmons, Pappageorge, Pavlov, Meekhof, Colbeck, Moolenaar, Proos, Robertson, Jansen, Hansen, Walker and Jones introduced

Senate Bill No. 420, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending sections 16221 and 16299 (MCL 333.16221 and 333.16299), section 16221 as amended by 2004 PA 214 and section 16299 as amended by 2002 PA 685, and by adding sections 17017 and 17517.

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

House Bill No. 4307, entitled

A bill to amend 1974 PA 154, entitled "Michigan occupational safety and health act," by amending section 4 (MCL 408.1004).

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 Regulatory Reform.

House Bill No. 4316, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 705 (MCL 257.705), as amended by 2000 PA 214.

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 Transportation.

House Bill No. 4452, entitled

A bill to amend 1936 (Ex Sess) PA 1, entitled "Michigan employment security act," by amending section 27 (MCL 421.27), as amended by 2011 PA 14.

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.

Statements

Senators Kahn, Pappageorge and Young asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Kahn's statement is as follows:

As members know, for some time we have been talking about a new bridge, DRIC bridge, international crossing. I and the Senator from the 27th District served on the Transportation Committee last year, and I think we are the only members of this body to have done so, so I am rather familiar with it.

As we struggle to make this decision, there are some points that, I think, we ought to bear in mind. The first one is that this traffic study, which is the basis for understanding whether or not there is need for the bridge in the first place and, of course, whether it can be funded in the second place, as presented by the Department of Transportation is widely recognized to be seriously flawed. It's flawed in its construction and similarly flawed—there was as similar study done by the same company out in California, which had the same types of straight-line mathematics flaws. The reality is that it will be at least 20 years before this bridge's need is clear, if then.

The second point that needs to be understood is that the tolls proposed for this bridge are very unlikely to be able to pay for the maintenance of the bridge and its operations. In fact, these tolls will compete with tolls at the Blue Water Bridge in Buffalo and the Ambassador Bridge as well.

So when we are talking about this bridge, we are going to really talk about the need to have an ongoing additional source of funding of some sort or noncompetitive on the tolls. Myself, I have had difficulty with this concept because I view it as a taking, difficulty with building this bridge, and adversely affecting a private industry, particularly when we don't make them whole.

Also I think we should bear in mind that the location for this bridge is on a salt cavern. MDOT itself and in its report in 2006 said, "This site will almost certainly result in catastrophic failure of the bridge"—catastrophic failure of the bridge as it collapses underneath the salt mines. If you want to talk about a cost overrun, there is one, let alone the cost of life. The last time we talked about the bridge, and maybe someone will make this clear to me on the new proposal, there was about \$100 billion that was going to be made available for south Detroit, the Delray area—Mexicantown. Those folks were going to oppose the bridge unless they received this make-whole funding for their community. It was a sweetheart deal.

In addition, there is concern that is being voiced to me, and I hope somebody will clarify it, about the notion of a public-private partnership and who will be assuming the risk. Is it going to be the public end, the private end, or both ends? The last I heard it was not going to be the privates, just us in the public. Then, of course, there is this notion of the \$500 million that we would be receiving from the Canadians in the building of the bridge with that. That is just not so. That \$500 million would be used for the landing of the U.S. side. The bridge itself is another \$4.5 billion with a "B."

Lastly, unfortunately, much has been said about the personalities that are involved here. Personalities are not a good way to be making a decision that is going to affect the people of Michigan for many, many decades.

Senator Pappageorge's statement is as follows:

I'm going to speak on the same subject. History is replete with examples of bad outcomes as a result of solving the wrong problem. You can drive across the Ambassador Bridge at 40 miles per hour. The speed limit at the inspection stations is zero. There are 32 inspection stations on the Detroit side, and they man as many as needed. On the Canadian side, there are 29 inspection stations, six of which have never been manned, and of the 23 others, maybe six are manned.

The capacity of the bridge peaked in 1999 at 52 percent, and it is currently at 35 percent. We do not have a capacity problem. We have a throughput problem. You also have to sympathize with the Canadians because they don't like trucks going through Windsor. I believe the real problem is figuring out how to keep the trucks out of Windsor, and you don't have to build a new bridge to do that.

Secondly, you have heard that this \$550 million will give us an extra \$2.2 billion. That is not true. What the federal government has said is for the first time we can use foreign money—namely, Canadian money—for our federal match. The way the federal match works is that the feds take all our gas money and send us back 92 percent or 93 percent. In order to get our own money back, we have to come up with a 20 percent match. So the feds have figured out a way for us to raise taxes for them. Now once we make that 20 percent match, if we put another dollar in there, we don't get \$4 from the feds. It is true that we can use that Canadian money for a match, but we are not going to get \$4 back for \$550 million. The way that \$2.2 billion was arrived at is somebody multiplied \$50 million, which was proposed by this year for '11, and multiply that by four. That is not going to happen. We will not get more than 92 percent or 93 percent of whatever money we send to the feds back. There is no extra money there.

Senator Young's statement is as follows:

Madam President, I would like to start with a quote: "True individual freedom cannot exist without economic security and independence. People who are hungry and out of a job are the stuff of which dictatorships are made." Franklin Delano Roosevelt.

You know, I am hearing some of my colleagues on the opposite side of the aisle, as good-natured as they might be, give misleading statements in terms of the community business agreement that somehow it's a sweetheart deal. God forbid, if state government is going to build a new bridge, take people's property, and use it as an instrument for prosperity that the people who actually live there benefit. God forbid, that we use the state police power to protect the general welfare, the public health, the safety, and morality to actually protect the general welfare of the public health, the safety, and the morality. That is what we are talking about here. We are talking about a bill. We are talking about a community benefits agreement that, if done properly, we are talking about ceasing the mantel of metamorphosis, and we are talking about grabbing the sector of excellence if it is done right. Now if it's done wrong, we are talking about economic execution for the city of Detroit and for the state of Michigan for generations to come.

This is not about sweetheart deals. This is about righteousness. If it doesn't make economic opportunities for the citizens of Detroit, this legislation does not make sense period. I have a 20 percent unemployment rate in the city of Detroit. That basically means that when this legislation passes, we are talking about people who are not going to be able to cross the bridge which is built because they cannot afford it. We are talking about people who have been in the unemployment lines, people who have gone through job application after job application after job application. We are talking about people who once worked in the yard, who are now squatting in abandoned buildings and stripping the house across the street for copper, so their children can eat and have heat and the basic necessities we take for granted. This is a once-in-a-lifetime opportunity to lift while we climb, to create economic opportunity and prosperity for those who most need it.

Now listen, I understand that the city of Detroit is rich with assets and rich in opportunity, but we can't have this friend-with-benefits relationship for the city of Detroit. If you are going to treat me as your own—in my district, as your own personal gigolo, Deuce Bigalow—you may as well pay me for the privilege. The best way to pay my citizens and for the privilege is to make sure that they have jobs; to make sure that when their kids wake up in the morning, they are able to breathe clean air; to make sure that the families are going to be able to have small businesses that are thriving, that are Detroiters in that area.

So we are not asking for a sweetheart deal. We are asking to grab ahold of the American Dream and take it to new heights. When you have a bridge—we have the Ambassador Bridge or a border crossing that went from \$234 billion in 1994 to \$596 billion worth of a trade in 2008 over a 14-year period, the least we could do is offer Detroiters opportunity and access to that economic revenue. We are talking about change of an explosive growth, and we are talking about a quantum leap forward economically. So let's do what is right for the citizens of Detroit. Let's do what is right for the state of Michigan. If we are going to build this bridge, let's do it with a community benefits agreement.

Committee Reports

The Committee on Veterans, Military Affairs and Homeland Security reported

Senate Bill No. 386, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," (MCL 750.1 to 750.568) by adding section 286. With the recommendation that the bill pass.

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

John R. Moolenaar Chairperson

To Report Out:

Yeas: Senators Moolenaar, Pappageorge, Emmons and Gregory

Nays: None

The bill was referred to the Committee of the Whole.

COMMITTEE ATTENDANCE REPORT

The Committee on Veterans, Military Affairs and Homeland Security submitted the following:

Meeting held on Tuesday, June 7, 2011, at 12:35 p.m., Room 210, Farnum Building

Present: Senators Moolenaar (C), Pappageorge, Emmons and Gregory

Excused: Senator Smith

The Committee on Transportation reported

Senate Bill No. 291, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 658 (MCL 257.658), as amended by 2002 PA 494.

With the recommendation that the bill pass.

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

Thomas A. Casperson Chairperson

To Report Out:

Yeas: Senators Casperson, Kowall, Brandenburg, Pavlov and Gleason

Nays: Senator Hood

The bill was referred to the Committee of the Whole.

COMMITTEE ATTENDANCE REPORT

The Committee on Transportation submitted the following:

Meeting held on Tuesday, June 7, 2011, at 12:30 p.m., Room 100, Farnum Building

Present: Senators Casperson (C), Kowall, Brandenburg, Pavlov, Gleason and Hood

The Committee on Energy and Technology reported

House Concurrent Resolution No. 9.

A concurrent resolution to urge the Federal Energy Regulatory Commission to grant a rehearing and modify its December 16, 2010 order approving the Midwest Independent Transmission System Operator's cost allocation proposal to socialize transmissions costs.

(For text of resolution, see Senate Journal No. 40, p. 648.)

With the recommendation that the following substitute (S-1) be adopted and that the concurrent resolution then be adopted:

A concurrent resolution to urge the Federal Energy Regulatory Commission to grant a rehearing and modify its December 16, 2010, order approving the Midwest Independent Transmission System Operator's cost allocation proposal to share transmission costs.

Whereas, The need for and cost of new, long distance transmission lines are important challenges facing the electric industry in the United States. New transmission facilities are needed to provide essential electric reliability and meet the future demands of a technologically-driven economy. However, the U.S. Department of Energy estimates that expanding the use of wind power could require transmission expansion costs of \$60 billion by 2030; and

Whereas, Ultimately, the costs of new transmission and who pays these costs are determined by the Federal Energy Regulatory Commission (FERC). Under the Federal Power Act, the FERC has the authority to regulate interstate transmission and must ensure that transmission rates are just and reasonable. Justness is also a centerpiece of FERC's Order 890, first issued in 2007, which establishes the commission's transmission cost allocation principles. Under Order 890, the FERC stated that when determining who pays for new transmission, it will first consider whether the cost allocation proposal fairly assigns costs among participants, including those who cause them to be incurred and those who otherwise benefit from them. The FERC also stated the intent to consider the support of state authorities and participants when approving cost allocation proposals; and

Whereas, The transmission tariff proposed by the Midwest Independent Transmission System Operator (MISO), which controls the grid in Michigan, 12 other states, and the province of Manitoba, proposes to allocate 100 percent of the costs of certain transmission projects designated as "multi-value projects" (MVP) to all customers in the MISO region. The tariff does not consider the unique situation of Michigan as a peninsular state that may not benefit from the construction of transmission lines in other parts of the MISO region. Additionally, the tariff includes allocation of lower voltage transmission facilities that may not provide benefits to Michigan; and

Whereas, Since Michigan accounts for 20 percent of the MISO load, Michigan consumers would be responsible for one-fifth of any new MVP transmission facilities approved to be built in the MISO region. The FERC's ruling allows for an uncommon method of allocating costs on a regional basis. There are concerns that Michigan will not receive benefits that align with the costs it will bear for these facilities; and

Whereas, Several states, utilities, and ratepayer groups have filed for rehearing and clarification, including the Michigan Public Service Commission; now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That we support the Michigan Public Service Commission's and the MISO Northeast Transmission Customers' requests for clarification and applications for rehearing of the FERC's December 16 order approving the Midwest Independent Transmission System Operator's cost allocation proposal to share transmission costs; and be it further

Resolved, That copies of this resolution be transmitted to the chairman of the Federal Energy Regulatory Commission, the chairman of the Michigan Public Service Commission, the president and chief executive officer of the Midwest Independent Transmission System Operator, and the members of the Michigan congressional delegation.

Mike Nofs Chairperson

To Report Out:

Yeas: Senators Nofs, Proos, Marleau, Walker, Hopgood and Young

Nays: Senators Schuitmaker and Bieda

The concurrent resolution and the substitute recommended by the committee were placed on the order of Resolutions.

COMMITTEE ATTENDANCE REPORT

The Committee on Energy and Technology submitted the following:

Meeting held on Tuesday, June 7, 2011, at 1:00 p.m., Senate Hearing Room, Ground Floor, Boji Tower

Present: Senators Nofs (C), Proos, Jones, Marleau, Schuitmaker, Walker, Hopgood, Bieda and Young

Scheduled Meetings

Appropriations -

Subcommittee -

Human Services Department - Thursday, June 9, 1:00 p.m., Room 810, Farnum Building (373-2768)

Banking and Financial Institutions - Thursday, June 9, 1:30 p.m., Room 100, Farnum Building (373-5324)

Health Policy - Thursday, June 9, 2:30 p.m., Senate Hearing Room, Ground Floor, Boji Tower (373-5314)

Natural Resources, Environment and Great Lakes - Thursday, June 9, 8:30 a.m., Room 210, Farnum Building (373-5323)

Outdoor Recreation and Tourism - Thursday, June 9, 12:30 p.m., Room 210, Farnum Building (373-5323) (CANCELED)

Regulatory Reform - Thursday, June 9, 12:30 p.m., Room 110, Farnum Building (373-5307)

Senator Meekhof moved that the Senate adjourn. The motion prevailed, the time being 11:42 a.m.

The President pro tempore, Senator Schuitmaker, declared the Senate adjourned until Thursday, June 9, 2011, at 10:00 a.m.

CAROL MOREY VIVENTI Secretary of the Senate