# No. 34 STATE OF MICHIGAN

# JOURNAL OF THE

# House of Representatives

# 97th Legislature REGULAR SESSION OF 2014

House Chamber, Lansing, Wednesday, March 26, 2014.

1:30 p.m.

The House was called to order by the Speaker.

The roll was called by the Clerk of the House of Representatives, who announced that a quorum was present.

Abed—present
Banks—present
Barnett—present
Bolger—present
Brinks—present
Brown—present
Brunner—present
Bumstead—present
Callton—present
Cavanagh—present
Clemente—present
Cochran—present
Cotter—present
Crawford—present
Daley—present
Darany—present
Denby—present
Dianda—present
Dillon—present
Driskell—present
Durhal—present
Faris—present
Farrington—present
Forlini—present
Foster—present
Franz—present
Geiss—present

Glardon—present Goike—present Graves—present Greimel—present Haines—present Haugh—present Haveman—present Heise—present Hobbs—present Hooker—present Hovey-Wright—present Howrylak—present Irwin—present Jacobsen—present Jenkins—present Johnson—present Kandrevas—present Kelly—present Kesto—present Kivela—present Knezek—present Kosowski—present Kowall—present Kurtz—present LaFontaine—present Lamonte—present Lane—present Lauwers—present

LaVoy—present Leonard—present Lipton—excused Lori—present Lund—present Lyons—present MacGregor—present MacMaster—present McBroom—present McCann—present McCready—present McMillin—present Muxlow—present Nathan—present Nesbitt—present O'Brien—present Oakes—present Olumba—present Outman—present Pagel—present Pettalia—present Phelps—present Poleski—present Potvin—present Price—present Pscholka—present Rendon—present

Robinson—present Rogers—present Rutledge—present Santana—present Schmidt—present Schor—present Segal—present Shirkey—present Singh—present Slavens—present Smiley—present Somerville—present Stallworth—present Stamas—present Stanley—present Switalski—present Talabi-present Tlaib—present Townsend—present VerHeulen—present Victory—present Walsh—present Yanez—present Yonker—present Zemke—present Zorn—present

Roberts—present

Genetski—present

Rep. Lisa Posthumus Lyons, from the 86th District, offered the following invocation:

"Father, thank You for this day that You have made. Let us all rejoice and be glad! We are so grateful to live in and lead a state so wonderfully blessed as ours, where You leave Your creative signature everywhere: from the Great Lakes to the wood lands, swamps, and streams to the rolling fields.

We come today as a group of people with servants' hearts. Give us strength and wisdom as we seek to steer this state and her people into prosperity.

This is Your world, Father, and You have given us dominion over it. You call us to serve and lift up one another. Please help us to remember and heed this call, and by doing so, Your love lives and Your light shines.

We pray for our sweet children of this state, especially those who everyday face abuse and neglect. Let the work we do and the example we set here, in our homes, and in our communities be a ray of hope so that all Your precious children know Your love. We pray for those experiencing a season of pain and strife. Let them find joy in their suffering through Your love, mercy, and provision. And we pray for those who are in a time of great abundance and peace, where life seems as it should be. Let the Holy Spirit fill their hearts with thanks to You, Who pours out Your rich blessings upon them.

We pray for those serving and working in this chamber, and their families. Remind us that we are united in our love for Michigan- for freedom and liberty, for peace and prosperity, and for humbly serving and loving others. These virtues are so much greater than the forces that work to divide us.

And Father, we pray for our troops- the brave men and women that have come before us and those who serve now- who fought for and defend the freedom that we are so blessed to experience; who are willing to lay down their own lives for this one nation under God. May they and their families know of our gratitude for their service and sacrifice.

Finally, we pray for Michigan and all her people. Let Your love, grace, and mercy smother this state.

As we herald Michigan as the Come Back State, let us remember that Your son is the Come Back King. It is You, through Jesus Christ, Who makes all things new. We take comfort in that while we are broken people living in a broken world, You will redeem us and restore the Earth. Until that time and after, we give You all the glory and all the honor. In Your name. Amen."

Rep. Rutledge moved that Rep. Lipton be excused from today's session. The motion prevailed.

#### **Motions and Resolutions**

Rep. Singh offered the following resolution:

# House Resolution No. 328.

A resolution to call on Governor Snyder to recognize the more than 300 marriage licenses issued to same-sex couples on Saturday, March 22, 2014, and to exercise his executive authority and demand that Attorney General Schuette withdraw his request before the U.S. Appeals Court for a stay and appeal.

Whereas, On Friday, March 21, a U.S. District court ruling invalidated Michigan's ban on same-sex marriage and allowed gay couples to obtain licenses to marry. The next day marked a momentous day for over 300 same-sex couples who were able to obtain a license to marry. The joy of this day quickly became one of angst and confusion as these newlyweds continue to face uncertainty of the status of same-sex marriage in this state; and

Whereas, The Attorney General has requested a stay and appeal of the U.S. District Court ruling from the 6th Circuit Court of Appeals. For these individuals who were granted the long-awaited opportunity to seal their commitment to their partners, the action of the Attorney General exacerbates their anger and frustration with the state's encroachment on their lives. It is time for the Governor to use his executive authority and allow the marriage licenses that already have been issued to be recognized by the issuing counties and by the state of Michigan; and

Whereas, The time has come for leaders in this state to listen to the voice of the people of Michigan. Over 57 percent of voters now support same-sex marriage. It is unfair to continue to deny citizens the rights and protections to same-sex couples that are afforded to heterosexual couples. By recognizing those couples who were married on March 22, 2014, Governor Snyder will send a strong statement of equality for all of the citizens of Michigan; now, therefore, be it

Resolved by the House of Representatives, That we call on Governor Snyder to recognize the more than 300 marriage licenses issued to same-sex couples on March 22, 2014. Moreover, we call on Governor Snyder to exercise his executive authority and demand that the Attorney General withdraw his request before the U.S. Appeals Court for a stay and appeal; and be it further

Resolved, That copies of this resolution be transmitted to Governor Snyder.

The resolution was referred to the Committee on Judiciary.

Reps. Driskell, Dianda, Kivela, Abed, Lamonte, Dillon, Brinks, Schor, Zemke, LaVoy, Segal, Slavens, Yanez, Geiss, Brown, Knezek, Darany, Barnett, Kosowski, Singh, Cotter, Schmidt, Cochran, Kurtz, Heise, Lane, Goike, McCready, MacMaster, Denby, Kowall, Jacobsen, Pagel, Stallworth, Durhal, Hovey-Wright, Price and Roberts offered the following resolution:

#### House Resolution No. 329.

A resolution to declare April 10, 2014, as Robotics Day in the state of Michigan.

Whereas, Robotics has matured into an all-encompassing and enabling technology that, as a pillar of 21st-century innovation, is positioned to fuel a broad array of next generation products and applications, transform our society, and become as ubiquitous over the next several decades as desktop and mobile computing technology is today; and

Whereas, The emerging market for service robotics in various sectors, including healthcare, national defense, homeland security, energy, manufacturing, logistics, transportation, agriculture, education, consumer goods, and others, is expected to grow at a compound annual growth rate of nearly 20 percent over the next few years to become a worldwide \$27 billion industry; and

Whereas, Robotics is a critical technology capable in the near term of contributing to the economic recovery by creating new jobs, increasing productivity, improving quality, and increasing worker safety, and equally capable over time of addressing the longer term labor and healthcare issues; and

Whereas, Robotics technology holds tremendous potential for reducing the cost of healthcare delivery, stimulating the discovery and development of new procedures and treatments for a wide variety of diseases and disorders, improving the standard and accessibility of care, providing individuals with disabilities, especially injured veterans, with greater independence and dignity, and enhancing overall patient health outcomes; and

Whereas, Robotics technology is proving essential to our national defense and homeland security by enabling the ongoing development and fielding of unmanned air, ground, and maritime systems that today help keep our nation's war-fighters and protectors out of harm's way, and in the long run will serve as a highly effective force multiplier; and

Whereas, Robotics is a key transformative technology that can revolutionize manufacturing by enabling small and mid-sized companies to cost effectively combine highly skilled workers and highly adaptable, precise, and reliable equipment to create and make high value products in high-stakes industries; and

Whereas, Robotics is rapidly proving to be one of the most effective, compelling, and engaging means for teaching and reinforcing fundamental science, technology, engineering, and mathematics (STEM) concepts as well as inspiring youth to pursue STEM-related careers thereby helping to create a highly skilled, 21st-century American workforce; and

Whereas, America's ability to maintain its leadership position and be both globally competitive and cooperative in a wide range of rapidly emerging markets is being currently challenged by other regions, including the European Union, Korea, and Japan, who have committed to making multi-billion dollar, long-term investments in further developing and commercializing robotics technology; and

Whereas, There is a strong need to recognize America's leadership in robotics technology, educate the public on robotics technology's broad potential, growing importance, and future impact on society, underscore the need for increased investment in robotics technology research and development, and inspire youth to pursue careers in robotics and other STEM-related fields; and

Whereas, The second week in April each year is designated as National Robotics Week. This recognizes the accomplishments of Isaac Asimov, who immigrated to America, taught science, wrote science books for children and adults, was the first person to use the term robotics, developed the Three Laws of Robotics, and died in April 1992; now, therefore, be it

Resolved by the House of Representatives, That the members of this legislative body declare April 10, 2014, as Robotics Day in the state of Michigan.

The question being on the adoption of the resolution,

The resolution was adopted.

Reps. Johnson, Barnett, Brown, Cotter, Durhal, Heise, Hovey-Wright, Howrylak, Price and Slavens offered the following resolution:

#### House Resolution No. 330.

A resolution to declare March 31-April 6, 2014, as Angus Week in the state of Michigan.

Whereas, George Grant transported the first four Angus bulls from Scotland to Kansas in 1873. He crossed the bulls with native Texas Longhorn cows. The Angus crosses wintered better and weighed more the next spring in the first demonstration of the breed's value in their new homeland; and

Whereas, Angus is the most numerous breed of beef cattle in the United States of America today. Angus are naturally polled, a docile breed, and relatively hardy. Cows calve easily and have excellent maternal instincts. Angus beef is renowned for its fine marbling texture and superb eating qualities; and

Whereas, Angus breeders across the U.S.A. grossed more than \$265 million in cattle sales in 2013. Angus bulls sold for an average of \$4,398 per head, and females averaged \$3,598 per head. Certified Angus Beef (CAB), a wholly-owned subsidiary of the American Angus Association formed in 1978, is the most successful branded beef program in history. In 2013, the CAB brand achieved a seventh consecutive sales record, totaling 865 million pounds; and

Whereas, The Michigan Angus Association was organized in 1914 with eight charter members under President Sidney Smith of Hunters Creek. The association charged annual membership dues of one dollar. Since 1940, Michigan Angus Association has held annual consignment sales in both the spring and the fall to provide a steady market for its breeders to sell Angus seed stock; and

Whereas, The first Michigan Angus Futurity was held in 1958. This annual show and sale continues today in its 56th year as the most successful Angus merchandising event for all breeders in the state. The Michigan Angus Association has sponsored an annual field day and picnic since 1949 to provide a summer educational program and an opportunity for members to network and socialize. The association maintains a dynamic website which includes a listing of 125 members and free advertising posts for members to promote their cattle for sale. The website also lists 29 breeders who offer locally raised Angus Freezer Beef directly to consumers; and

Whereas, The Michigan Angus Association celebrates its 100th anniversary in 2014 by sponsoring Angus promotion and networking events conducted by members throughout the state all year long. The association's mission is: "To enhance the Angus Brand via marketing, youth development, and educational and social opportunities."; now, therefore, be it

Resolved by the House of Representatives, That the members of this legislative body declare March 31-April 6, 2014, as Angus Week in the state of Michigan. We wish them well in their continued efforts as they celebrate their centennial year.

The question being on the adoption of the resolution,

The resolution was adopted.

Reps. Stamas and Rutledge offered the following resolution:

# House Concurrent Resolution No. 24.

A concurrent resolution prescribing the legislative schedule.

Resolved by the House of Representatives (the Senate concurring), That when the House of Representatives adjourns on Thursday, March 27, 2014, it stands adjourned until Thursday, April 17, 2014, at 12:00 noon; and be it further

Resolved, That when the Senate adjourns on Thursday, March 27, 2014, it stands adjourned until Tuesday, April 22, 2014, at 10:00 a.m.

The question being on the adoption of the concurrent resolution,

The concurrent resolution was adopted.

Rep. Singh offered the following concurrent resolution:

# House Concurrent Resolution No. 25.

A concurrent resolution to call on Governor Snyder to recognize the more than 300 marriage licenses issued to same-sex couples on Saturday, March 22, 2014, and to exercise his executive authority and demand that Attorney General Schuette withdraw his request before the U.S. Appeals Court for a stay and appeal.

Whereas, On Friday, March 21, a U.S. District court ruling invalidated Michigan's ban on same-sex marriage and allowed gay couples to obtain licenses to marry. The next day marked a momentous day for over 300 same-sex couples who were able to obtain a license to marry. The joy of this day quickly became one of angst and confusion as these newlyweds continue to face uncertainty of the status of same-sex marriage in this state; and

Whereas, The Attorney General has requested a stay and appeal of the U.S. District Court ruling from the 6th Circuit Court of Appeals. For these individuals who were granted the long-awaited opportunity to seal their commitment to their partners, the action of the Attorney General exacerbates their anger and frustration with the state's encroachment on their lives. It is time for the Governor to use his executive authority and allow the marriage licenses that already have been issued to be recognized by the issuing counties and by the state of Michigan; and

Whereas, The time has come for leaders in this state to listen to the voice of the people of Michigan. Over 57 percent of voters now support same-sex marriage. It is unfair to continue to deny citizens the rights and protections to same-sex couples that are afforded to heterosexual couples. By recognizing those couples who were married on March 22, 2014, Governor Snyder will send a strong statement of equality for all of the citizens of Michigan; now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That we call on Governor Snyder to recognize the more than 300 marriage licenses issued to same-sex couples on March 22, 2014. Moreover, we call on Governor Snyder to exercise his executive authority and demand that the Attorney General withdraw his request before the U.S. Appeals Court for a stay and appeal; and be it further

Resolved, That copies of this resolution be transmitted to Governor Snyder.

The concurrent resolution was referred to the Committee on Judiciary.

#### **Reports of Standing Committees**

The Committee on Tax Policy, by Rep. Farrington, Chair, reported

#### Senate Bill No. 562, entitled

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending section 87b (MCL 211.87b), as amended by 2002 PA 198.

With the recommendation that the substitute (H-4) be adopted and that the bill then pass.

The bill and substitute were referred to the order of Second Reading of Bills.

#### Favorable Roll Call

To Report Out:

Yeas: Reps. Farrington, O'Brien, Genetski, Cotter, Foster, Lyons, Nesbitt, Price, Somerville, Kelly, Barnett, Haugh, LaVov and Townsend

Nays: None

The Committee on Tax Policy, by Rep. Farrington, Chair, reported

# Senate Bill No. 611, entitled

A bill to amend 1980 PA 395, entitled "Community convention or tourism marketing act," by amending section 5 (MCL 141.875), as amended by 1989 PA 245.

Without amendment and with the recommendation that the bill pass.

The bill was referred to the order of Second Reading of Bills.

#### Favorable Roll Call

To Report Out:

Yeas: Reps. Farrington, O'Brien, Genetski, Cotter, Foster, Lyons, Nesbitt, Price, Kelly, Haugh, LaVoy and Townsend

Nays: None

#### COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Farrington, Chair, of the Committee on Tax Policy, was received and read:

Meeting held on: Wednesday, March 26, 2014

Present: Reps. Farrington, O'Brien, Genetski, Cotter, Foster, Lyons, Nesbitt, Price, Somerville, Kelly, Barnett, Haugh, LaVoy and Townsend

Absent: Rep. Switalski Excused: Rep. Switalski

The Committee on Appropriations, by Rep. Haveman, Chair, reported

# House Bill No. 5181, entitled

A bill to amend 1980 PA 300, entitled "The public school employees retirement act of 1979," by amending section 61 (MCL 38.1361), as amended by 2012 PA 464.

With the recommendation that the bill be referred to the Committee on Education.

#### Favorable Roll Call

To Report Out:

Yeas: Reps. Haveman, Pscholka, Kowall, Lori, Rogers, Stamas, Walsh, Bumstead, Forlini, MacGregor, MacMaster, Jenkins, Muxlow, Poleski, Potvin, McCready, VerHeulen, Shirkey, Tlaib, Brown, Durhal, McCann, Dillon, Roberts, Kandrevas and Zemke

Navs: None

The recommendation was concurred in and the bill was referred to the Committee on Education.

The Committee on Appropriations, by Rep. Haveman, Chair, reported

# Senate Bill No. 780, entitled

A bill to make, supplement, and adjust appropriations for certain capital outlay projects for the fiscal year ending September 30, 2014; to provide for the expenditure of the appropriations; and to prescribe certain conditions for the appropriations.

Without amendment and with the recommendation that the bill pass.

The bill was referred to the order of Second Reading of Bills.

#### Favorable Roll Call

#### To Report Out:

Yeas: Reps. Haveman, Pscholka, Kowall, Lori, Rogers, Stamas, Walsh, Bumstead, Forlini, MacGregor, MacMaster, Jenkins, Muxlow, Poleski, Potvin, McCready, VerHeulen, Shirkey, Tlaib, Brown, Durhal, McCann, Dillon, Roberts, Kandrevas, Faris, Zemke and Singh

Nays: None

#### COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Haveman, Chair, of the Committee on Appropriations, was received and read: Meeting held on: Wednesday, March 26, 2014

Present: Reps. Haveman, Pscholka, Kowall, Lori, Rogers, Stamas, Walsh, Bumstead, Forlini, MacGregor, MacMaster, Jenkins, Muxlow, Poleski, Potvin, McCready, VerHeulen, Shirkey, Tlaib, Brown, Durhal, McCann, Dillon, Roberts, Kandrevas, Faris, Zemke and Singh

Absent: Rep. Olumba Excused: Rep. Olumba

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The Speaker called the Speaker Pro Tempore to the Chair.

#### Third Reading of Bills

# Senate Bill No. 547, entitled

A bill to amend 1962 PA 174, entitled "Uniform commercial code," by amending sections 3103, 3106, 3116, 3119, 3305, 3309, 3312, 3416, 3417, 3419, 3602, 3604, and 3605 (MCL 440.3103, 440.3106, 440.3116, 440.3119, 440.3305, 440.3309, 440.3312, 440.3416, 440.3417, 440.3419, 440.3602, 440.3604, and 440.3605), section 3103 as amended by 2012 PA 86 and sections 3106, 3116, 3119, 3305, 3416, 3417, 3419, 3602, 3604, and 3605 as amended and sections 3309 and 3312 as added by 1993 PA 130.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

# Roll Call No. 162 Yeas—109

Abed Glardon Lauwers Banks Goike LaVoy Barnett Graves Leonard Bolger Greimel Lori **Brinks** Haines Lund Brown Haugh Lyons Brunner Haveman MacGregor Bumstead Heise MacMaster Callton Hobbs McBroom Cavanagh Hooker McCann Clemente Hovey-Wright McCready Cochran Howrylak McMillin Cotter Irwin Muxlow Crawford Jacobsen Nathan Daley **Jenkins** Nesbitt Darany Johnson O'Brien Denby Kandrevas Oakes Dianda Kelly Olumba

**Roberts** Robinson Rogers Rutledge Santana Schmidt Schor Segal Shirkey Singh Slavens Smiley Somerville Stallworth Stamas Stanley Switalski Talabi

Dillon
Driskell
Durhal
Faris
Farrington
Forlini
Foster
Franz
Geiss
Genetski

Kesto Kivela Knezek Kosowski Kowall Kurtz LaFontaine Lamonte Lane

Outman
Pagel
Pettalia
Phelps
Poleski
Potvin
Price
Pscholka
Rendon

Tlaib Townsend VerHeulen Victory Walsh Yanez Yonker Zemke Zorn

# Nays—0

In The Chair: Walsh

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

"An act to enact the uniform commercial code, relating to certain commercial transactions in or regarding personal property and contracts and other documents concerning them, including sales, commercial paper, bank deposits and collections, letters of credit, bulk transfers, warehouse receipts, bills of lading, other documents of title, investment securities, leases, and secured transactions, including certain sales of accounts, chattel paper and contract rights; to provide for public notice to third parties in certain circumstances; to regulate procedure, evidence and damages in certain court actions involving such transactions, contracts or documents; to make uniform the law with respect thereto; to make an appropriation; to provide penalties; and to repeal certain acts and parts of acts,"

The House agreed to the full title.

Rep. Stamas moved that the bill be given immediate effect.

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

#### Senate Bill No. 548, entitled

A bill to amend 2000 PA 305, entitled "Uniform electronic transactions act," by amending section 16 (MCL 450.846). Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

#### Roll Call No. 163

#### Yeas-109

Abed Banks Barnett Bolger **Brinks** Brown Brunner Bumstead Callton Cavanagh Clemente Cochran Cotter Crawford Daley Darany Denby Dianda Dillon Driskell

Glardon Goike Graves Greimel Haines Haugh Haveman Heise Hobbs Hooker Hovey-Wright Howrylak Irwin Jacobsen **Jenkins** Johnson Kandrevas Kelly Kesto Kivela

Lauwers LaVov Leonard Lori Lund Lyons MacGregor MacMaster McBroom McCann McCready McMillin Muxlow Nathan Nesbitt O'Brien Oakes Olumba Outman Pagel

Roberts Robinson Rogers Rutledge Santana Schmidt Schor Segal Shirkey Singh Slavens Smiley Somerville Stallworth Stamas Stanley Switalski Talabi Tlaib Townsend

VerHeulen

Victory

Walsh

Yanez

Yonker

Zemke

Zorn

Durhal Knezek Pettalia Kosowski Faris Phelps Kowall Poleski Farrington Forlini Kurtz Potvin Foster LaFontaine Price Pscholka Franz Lamonte Geiss Lane Rendon Genetski

Navs—0

In The Chair: Walsh

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

"An act to authorize and provide the terms and conditions under which information and signatures can be transmitted, received, and stored by electronic means,"

The House agreed to the full title.

Rep. Stamas moved that the bill be given immediate effect.

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

# Senate Bill No. 549, entitled

A bill to amend 1962 PA 174, entitled "Uniform commercial code," by amending sections 4104, 4207, 4208, 4212, 4301, and 4403 (MCL 440.4104, 440.4207, 440.4208, 440.4212, 440.4301, and 440.4403), section 4104 as amended by 2012 PA 87 and sections 4207, 4208, 4212, 4301, and 4403 as amended by 1993 PA 130.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

#### Roll Call No. 164 Yeas—109

Abed Glardon Lauwers Goike Banks LaVov Barnett Graves Leonard Greimel Lori Bolger **Brinks** Haines Lund Haugh Lyons Brown Haveman Brunner MacGregor Bumstead Heise MacMaster Callton Hobbs McBroom Cavanagh Hooker McCann Clemente Hovey-Wright McCready Cochran Howrylak McMillin Cotter Irwin Muxlow Crawford Jacobsen Nathan Daley Jenkins Nesbitt O'Brien Darany Johnson Kandrevas Denby Oakes Dianda Kelly Olumba Dillon Kesto Outman Pagel Driskell Kivela Durhal Knezek Pettalia Faris Kosowski Phelps Farrington Kowall Poleski Kurtz Forlini Potvin Foster LaFontaine Price

**Roberts** Robinson Rogers Rutledge Santana Schmidt Schor Segal Shirkey Singh Slavens Smiley Somerville Stallworth Stamas Stanley Switalski Talabi Tlaib Townsend VerHeulen Victory Walsh Yanez Yonker

Franz Lamonte Pscholka Zemke Geiss Lane Rendon Zorn

Genetski

Franz Geiss

# Nays—0

In The Chair: Walsh

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

"An act to enact the uniform commercial code, relating to certain commercial transactions in or regarding personal property and contracts and other documents concerning them, including sales, commercial paper, bank deposits and collections, letters of credit, bulk transfers, warehouse receipts, bills of lading, other documents of title, investment securities, leases, and secured transactions, including certain sales of accounts, chattel paper and contract rights; to provide for public notice to third parties in certain circumstances; to regulate procedure, evidence and damages in certain court actions involving such transactions, contracts or documents; to make uniform the law with respect thereto; to make an appropriation; to provide penalties; and to repeal certain acts and parts of acts,"

The House agreed to the full title.

Rep. Stamas moved that the bill be given immediate effect.

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

#### Senate Bill No. 551, entitled

A bill to amend 1962 PA 174, entitled "Uniform commercial code," by amending sections 9625 and 9626 (MCL 440.9625 and 440.9626), as added by 2000 PA 348.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

#### Roll Call No. 165 Yeas—108

Abed Genetski Lane Banks Glardon Barnett Goike Bolger Graves **Brinks** Greimel Brown Haines Haugh Brunner Bumstead Haveman Heise Callton Cavanagh Hobbs Clemente Hooker Cochran Hovey-Wright Cotter Howrylak Crawford Irwin Jacobsen Daley Darany **Jenkins** Denby Johnson Dianda Kandrevas Dillon Kelly Kesto Driskell Kivela Durhal Faris Knezek Kosowski Farrington Forlini Kowall Foster Kurtz

LaFontaine

Lamonte

Lauwers LaVoy Leonard Lori Lund Lyons MacGregor MacMaster McBroom McCann McCready McMillin Muxlow Nathan Nesbitt O'Brien Oakes Olumba Outman Pagel Pettalia Phelps Poleski Potvin Price Pscholka

Rendon Roberts Rogers Rutledge Santana Schmidt Schor Segal Shirkey Singh Slavens Smiley Somerville Stallworth Stamas Stanley Switalski Talabi Tlaib Townsend VerHeulen Victory Walsh Yanez Yonker Zemke Zorn

#### Nays—1

Robinson

Genetski

In The Chair: Walsh

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

"An act to enact the uniform commercial code, relating to certain commercial transactions in or regarding personal property and contracts and other documents concerning them, including sales, commercial paper, bank deposits and collections, letters of credit, bulk transfers, warehouse receipts, bills of lading, other documents of title, investment securities, leases, and secured transactions, including certain sales of accounts, chattel paper and contract rights; to provide for public notice to third parties in certain circumstances; to regulate procedure, evidence and damages in certain court actions involving such transactions, contracts or documents; to make uniform the law with respect thereto; to make an appropriation; to provide penalties; and to repeal certain acts and parts of acts,"

The House agreed to the full title.

Rep. Stamas moved that the bill be given immediate effect.

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

# House Bill No. 5248, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 16323 (MCL 333.16323), as amended by 2002 PA 643.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

#### Roll Call No. 166 Yeas—109

Abed Glardon Goike Banks Graves Barnett Greimel Bolger **Brinks** Haines Brown Haugh Haveman Brunner Heise Bumstead Hobbs Callton Cavanagh Hooker Clemente Hovey-Wright Cochran Howrylak Cotter Irwin Crawford Jacobsen Dalev Jenkins Darany Johnson Denby Kandrevas Dianda Kelly Dillon Kesto Kivela Driskell Durhal Knezek Faris Kosowski Farrington Kowall Forlini Kurtz Foster LaFontaine Franz Lamonte Geiss

Lane

LaVoy Leonard Lori Lund Lyons MacGregor MacMaster McBroom McCann McCready McMillin Muxlow Nathan Nesbitt O'Brien Oakes Olumba Outman Pagel Pettalia Phelps Poleski Potvin Price Pscholka Rendon

Lauwers

Robinson Rogers Rutledge Santana Schmidt Schor Segal Shirkey Singh Slavens Smiley Somerville Stallworth Stamas Stanley Switalski Talabi Tlaib Townsend VerHeulen Victory Walsh Yanez Yonker Zemke Zorn

**Roberts** 

# Nays—0

In The Chair: Walsh

The House agreed to the title of the bill.

Rep. Stamas moved that the bill be given immediate effect.

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

# Senate Bill No. 820, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 22211 (MCL 333.22211), as amended by 2002 PA 619.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

#### Roll Call No. 167

# Yeas-107

Abed Genetski Lane Banks Glardon Lauwers Barnett Goike LaVoy Bolger Graves Leonard **Brinks** Greimel Lori Brown Haines Lund Brunner Haugh Lyons Bumstead Haveman MacGregor Callton Heise MacMaster Cavanagh Hobbs McBroom Clemente Hooker McCann Cochran Hovey-Wright McCready Cotter Howrylak Muxlow Crawford Irwin Nathan Daley Jacobsen Nesbitt Darany Jenkins O'Brien Denby Johnson Oakes Dianda Kandrevas Olumba Dillon Kelly Outman Driskell Kesto Pagel Durhal Kivela Pettalia Faris Knezek Phelps Farrington Kosowski Poleski Forlini Kowall Potvin Foster Kurtz Price Franz LaFontaine Pscholka Geiss Lamonte Rendon

Rogers Rutledge Santana Schmidt Schor Segal Shirkey Singh Slavens Smiley Somerville Stallworth Stamas Stanley Switalski Talabi Tlaib Townsend VerHeulen Victory Walsh Yanez Yonker Zemke Zorn

Roberts

Nays—2

McMillin Robinson

In The Chair: Walsh

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

"An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to provide for the levy of taxes against certain health facilities or agencies; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to provide for an appropriation and supplements; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates,"

The House agreed to the full title.

Rep. Stamas moved that the bill be given immediate effect.

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

# **Second Reading of Bills**

# Senate Bill No. 780, entitled

A bill to make, supplement, and adjust appropriations for certain capital outlay projects for the fiscal year ending September 30, 2014; to provide for the expenditure of the appropriations; and to prescribe certain conditions for the appropriations.

The bill was read a second time.

Rep. Stamas moved to amend the bill as follows:

- 1. Amend page 11, following line 8, by inserting:
- "Sec. 304d. If the use of land owned by the department is subject to certain conditions because of the source of funds used for the purchase of that land, or for the purchase of other land that was exchanged for that land, all of the following apply unless prohibited by federal law:
- (a) The conditions shall be applied on a proportion of the land area that does not exceed the proportion of the funding for the acquisition of the land provided from that source.
  - (b) The department shall designate the part of the land to which the conditions apply.
- (c) The part of the land to which the conditions apply shall be the less accessible part of the land. If 2 or more sources of funds used for the acquisition of the land subject the use of the land to conditions, the part of the land designated under subdivision (b) for the funding source imposing, in the department's judgment, the strictest conditions shall be the least accessible, the part of the land designated for the funding source imposing the second-strictest conditions shall be the second-least accessible, and so on.".

The motion prevailed and the amendment was adopted, a majority of the members serving voting therefor.

Rep. Stamas moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Rep. Stamas moved that the bill be placed on its immediate passage.

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

By unanimous consent the House returned to the order of

Third Reading of Bills

# Senate Bill No. 780, entitled

A bill to make, supplement, and adjust appropriations for certain capital outlay projects for the fiscal year ending September 30, 2014; to provide for the expenditure of the appropriations; and to prescribe certain conditions for the appropriations.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

#### Roll Call No. 168

#### **Yeas—106**

Abed Glardon Banks Goike Graves Barnett Bolger Greimel Brinks Haines Brown Haugh Brunner Haveman Bumstead Heise Callton Hobbs Cavanagh Hooker Hovey-Wright Clemente Cochran Howrylak Cotter Irwin Jacobsen Crawford Dalev Jenkins Darany Johnson Denby Kandrevas Dianda Kelly Dillon Kesto Kivela Driskell Knezek Durhal Faris Kosowski Kowall Farrington Forlini Kurtz Foster LaFontaine Franz Lamonte Geiss Lane

LaVoy Leonard Lori Lund Lyons MacGregor McBroom McCann McCready Muxlow Nathan Nesbitt O'Brien Oakes Olumba Outman Pagel Pettalia Phelps Poleski Potvin Price Pscholka Rendon Roberts

Lauwers

Robinson Rogers Rutledge Santana Schmidt Schor Segal Shirkey Singh Slavens Smilev Somerville Stallworth Stamas Stanley Switalski Talabi Tlaib Townsend VerHeulen Victory Walsh Yanez Yonker Zemke Zorn

# Nays—3

Genetski MacMaster McMillin

In The Chair: Walsh

The House agreed to the title of the bill.

Rep. Stamas moved that the bill be given immediate effect.

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

# **Second Reading of Bills**

# House Bill No. 4936, entitled

A bill to amend 2001 PA 142, entitled "Michigan memorial highway act," (MCL 250.1001 to 250.2080) by adding section 83.

The bill was read a second time.

Rep. Leonard moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

# House Bill No. 5072, entitled

A bill to amend 1993 PA 69, entitled "An act to designate certain highways within this state as Michigan heritage routes; to provide procedures for additions, deletions, or changes to these routes; and to prescribe the powers and duties of certain state agencies," by amending the title and sections 1, 2, 4, 6, 7, and 8 (MCL 247.951, 247.952, 247.954, 247.956, 247.957, and 247.958) and by adding section 7a; and to repeal acts and parts of acts.

The bill was read a second time.

Rep. Pettalia moved to amend the bill as follows:

- 1. Amend page 4, line 17, after "BYWAY" by inserting a comma and "IF THE DEPARTMENT OBTAINS A TRADEMARK LICENSE FROM THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION FOR THE USE OF THE WORDS "PURE MICHIGAN"".
- 2. Amend page 5, line 25, after "LAW" by inserting a comma and "IF THE DEPARTMENT OBTAINS A TRADEMARK LICENSE FROM THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION FOR THE USE OF THE WORDS "PURE MICHIGAN"".

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

Rep. McMillin moved to amend the bill as follows:

1. Amend page 6, following line 5, by inserting:

"SEC. 9. ANY ROAD OR HIGHWAY SIGNAGE USING 'PURE MICHIGAN BYWAY' OR SIMILAR LANGUAGE MUST ALSO INCLUDE, IN SIMILAR FONT SIZE, THE AMOUNT OF MONEY GIVEN OUT BY THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION DURING THE PREVIOUS FISCAL YEAR THE SIGN WAS MADE.".

The motion did not prevail and the amendment was not adopted, a majority of the members serving not voting therefor. Rep. Pettalia moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

#### House Bill No. 4601, entitled

A bill to amend 2001 PA 142, entitled "Michigan memorial highway act," (MCL 250.1001 to 250.2080) by adding section 71.

The bill was read a second time.

Rep. Bumstead moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

# Senate Bill No. 622, entitled

A bill to amend 2012 PA 474, entitled "An act to amend 1937 PA 94, entitled "An act to provide for the levy, assessment, and collection of a specific excise tax on the storage, use, or consumption in this state of tangible personal property and certain services; to appropriate the proceeds of that tax; to prescribe penalties; and to make appropriations," by amending sections 3a, 4, and 4o (MCL 205.93a, 205.94, and 205.94o), section 3a as amended by 2012 PA 299, section 4 as amended by 2008 PA 314, and section 4o as amended by 2010 PA 115," by amending enacting section 1.

The bill was read a second time.

Rep. Stamas moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

By unanimous consent the House returned to the order of

# Messages from the Senate

The Speaker laid before the House

# House Bill No. 4295, entitled

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 11, 11m, 20g, 21f, 22a, 22b, 22g, 51a, 51c, 99h, 101, and 147c (MCL 388.1611, 388.1611m, 388.1620g, 388.1621f, 388.1622a, 388.1622b, 388.1622g, 388.1651a, 388.1651c, 388.1699h, 388.1701, and 388.1747c), sections 11 and 22a as amended and section 20g as added by 2013 PA 97, sections 11m, 22b, 22g, 51a, 51c, 101, and 147c as amended and section 99h as added by 2013 PA 60, and section 21f as amended by 2013 PA 130, and by adding sections 31b, 31g, 32r, 64d, and 94.

(The bill was received from the Senate on March 20, with substitute (S-1), title amendment and immediate effect given by the Senate, consideration of which, under the rules, was postponed until March 25, see House Journal No. 32, p. 498.) The question being on concurring in the substitute (S-1) made to the bill by the Senate,

Rep. Rogers moved to substitute (H-4) the Senate substitute (S-1).

The motion prevailed and the substitute (H-4) was adopted, a majority of the members serving voting therefor.

Rep. Dillon moved to amend the Senate substitute (S-1), as substituted (H-4), as follows:

1. Amend page 2, following line 27, by inserting:

"Sec. 20. (1) For 2013-2014, the basic foundation allowance is \$8,049.00.

- (2) The amount of each district's foundation allowance shall be calculated as provided in this section, using a basic foundation allowance in the amount specified in subsection (1).
- (3) Except as otherwise provided in this section, the amount of a district's foundation allowance shall be calculated as follows, using in all calculations the total amount of the district's foundation allowance as calculated before any proration:
- (a) For a district that had a foundation allowance for the immediately preceding state fiscal year that was at least equal to the sum of \$7,108.00 plus the total dollar amount of all adjustments made from 2006-2007 to the immediately preceding state fiscal year in the lowest foundation allowance among all districts, but less than the basic foundation allowance for the immediately preceding state fiscal year, the district shall receive a foundation allowance in an amount equal to the sum of the greater of \$6,966.00 or the district's foundation allowance for the immediately preceding state fiscal year plus the difference between twice the dollar amount of the adjustment from the immediately preceding state fiscal year to the current state fiscal year made in the basic foundation allowance and [(the dollar amount of the adjustment from the immediately preceding state fiscal year to the current state fiscal year made in the basic foundation allowance minus \$10.00) times (the difference between the district's foundation allowance for the immediately preceding state fiscal year and the sum of \$7,108.00 plus the total dollar amount of all adjustments made from 2006-2007 to the immediately preceding state fiscal year in the lowest foundation allowance among all districts) divided by the difference between the basic foundation allowance for the current state fiscal year and the sum of \$7,108.00 plus the total dollar amount of all adjustments made from 2006-2007 to the immediately preceding state fiscal year in the lowest foundation allowance among all districts]. For 2011-2012, for a district that had a foundation allowance for the immediately preceding state fiscal year that was at least equal to the sum of \$7,108.00 plus the total dollar amount of all adjustments made from 2006-2007 to the immediately preceding state fiscal year in the lowest foundation allowance among all districts, but less than the basic foundation allowance for the immediately preceding state fiscal year, the district shall receive a foundation allowance in an amount equal to the district's foundation allowance for 2010-2011, minus \$470.00. However, the foundation allowance for a district that had less than the basic foundation allowance for the immediately preceding state fiscal year shall not exceed the basic foundation allowance for the current state fiscal year.
- (b) Except as otherwise provided in this subsection, for a district that in the immediately preceding state fiscal year had a foundation allowance in an amount at least equal to the amount of the basic foundation allowance for the immediately preceding state fiscal year, the district shall receive a foundation allowance for 2011-2012 in an amount equal to the district's foundation allowance for 2010-2011, minus \$470.00.
- (c) Except as otherwise provided in subdivision (d), for a district that in the 1994-95 state fiscal year had a foundation allowance greater than \$6,500.00, the district's foundation allowance is an amount equal to the sum of the district's foundation allowance for the immediately preceding state fiscal year plus the lesser of the increase in the basic foundation allowance for the current state fiscal year, as compared to the immediately preceding state fiscal year, or the product of the district's foundation allowance for the immediately preceding state fiscal year times the percentage increase in the United States consumer price index in the calendar year ending in the immediately preceding fiscal year as reported by the May revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b. Except as otherwise provided in subdivision (d), for 2011-2012, for a district that in the 1994-1995 state fiscal year had a foundation allowance greater than \$6,500.00, the district's foundation allowance is an amount equal to the district's foundation allowance for the 2010-2011 fiscal year minus \$470.00.
- (d) For a district that in the 1994-95 state fiscal year had a foundation allowance greater than \$6,500.00 and that had a foundation allowance for the 2009-2010 state fiscal year, as otherwise calculated under this section, that was less than the basic foundation allowance, the district's foundation allowance for 2011-2012 and each succeeding fiscal year shall be considered to be an amount equal to the basic foundation allowance.
- (e) For a district that has a foundation allowance that is not a whole dollar amount, the district's foundation allowance shall be rounded up to the nearest whole dollar.
- (f) For a district that received a payment under section 22c as that section was in effect for 2001-2002, the district's 2001-2002 foundation allowance shall be considered to have been an amount equal to the sum of the district's actual 2001-2002 foundation allowance as otherwise calculated under this section plus the per pupil amount of the district's equity payment for 2001-2002 under section 22c as that section was in effect for 2001-2002.
- (g) For a district that received a payment under section 22c as that section was in effect for 2006-2007, the district's 2006-2007 foundation allowance shall be considered to have been an amount equal to the sum of the district's actual 2006-2007 foundation allowance as otherwise calculated under this section plus the per pupil amount of the district's equity payment for 2006-2007 under section 22c as that section was in effect for 2006-2007.
- (h) For 2012-2013, for a district that had a foundation allowance for the 2011-2012 state fiscal year of less than \$6,966.00, the district's foundation allowance is an amount equal to \$6,966.00.
- (4) Except as otherwise provided in this subsection, the state portion of a district's foundation allowance is an amount equal to the district's foundation allowance or the basic foundation allowance for the current state fiscal year, whichever is less, minus the difference between the sum of the product of the taxable value per membership pupil of all property in the district that is nonexempt property times the district's certified mills and, for a district with certified mills exceeding 12, the product of the taxable value per membership pupil of property in the district that is commercial personal property

times the certified mills minus 12 mills and the quotient of the ad valorem property tax revenue of the district captured under tax increment financing acts divided by the district's membership excluding special education pupils. For a district described in subsection (3)(c), the state portion of the district's foundation allowance is an amount equal to \$6,962.00 plus the difference between the district's foundation allowance for the current state fiscal year and the district's foundation allowance for 1998-99, minus the difference between the sum of the product of the taxable value per membership pupil of all property in the district that is nonexempt property times the district's certified mills and, for a district with certified mills exceeding 12, the product of the taxable value per membership pupil of property in the district that is commercial personal property times the certified mills minus 12 mills and the quotient of the ad valorem property tax revenue of the district captured under tax increment financing acts divided by the district's membership excluding special education pupils. For a district that has a millage reduction required under section 31 of article IX of the state constitution of 1963, the state portion of the district's foundation allowance shall be calculated as if that reduction did not occur. For a receiving district, if school operating taxes continue to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, the taxable value per membership pupil of property in the receiving district used for the purposes of this subsection, does not include the taxable value of property within the geographic area of the dissolved district.

- (5) The allocation calculated under this section for a pupil shall be based on the foundation allowance of the pupil's district of residence. For a pupil enrolled pursuant to section 105 or 105c in a district other than the pupil's district of residence, the allocation calculated under this section shall be based on the lesser of the foundation allowance of the pupil's district. For a pupil in membership in a K-5, K-6, or K-8 district who is enrolled in another district in a grade not offered by the pupil's district of residence, the allocation calculated under this section shall be based on the foundation allowance of the educating district if the educating district's foundation allowance is greater than the foundation allowance of the pupil's district of residence.
- (6) Except as otherwise provided in this subsection, for pupils in membership, other than special education pupils, in a public school academy, the allocation calculated under this section is an amount per membership pupil other than special education pupils in the public school academy equal to the foundation allowance of the district in which the public school academy is located or the state maximum public school academy allocation, whichever is less. However, a public school academy that had an allocation under this subsection before 2009-2010 that was equal to the sum of the local school operating revenue per membership pupil other than special education pupils for the district in which the public school academy is located and the state portion of that district's foundation allowance shall not have that allocation reduced as a result of the 2010 amendment to this subsection. Notwithstanding section 101, for a public school academy that begins operations after the pupil membership count day, the amount per membership pupil calculated under this subsection shall be adjusted by multiplying that amount per membership pupil by the number of hours of pupil instruction provided by the public school academy after it begins operations, as determined by the department, divided by the minimum number of hours of pupil instruction required under section 101(3). The result of this calculation shall not exceed the amount per membership pupil otherwise calculated under this subsection.
- (7) Except as otherwise provided in this subsection, for pupils attending an achievement school and in membership in the education achievement system, other than special education pupils, the allocation calculated under this section is an amount per membership pupil other than special education pupils equal to the foundation allowance of the district in which the achievement school is located, not to exceed the basic foundation allowance. Notwithstanding section 101, for an achievement school that begins operation after the pupil membership count day, the amount per membership pupil calculated under this subsection shall be adjusted by multiplying that amount per membership pupil by the number of hours of pupil instruction provided by the achievement school after it begins operations, as determined by the department, divided by the minimum number of hours of pupil instruction required under section 101(3). The result of this calculation shall not exceed the amount per membership pupil otherwise calculated under this subsection. For the purposes of this subsection, if a public school is transferred from a district to the state school reform/redesign district or the achievement authority under section 1280c of the revised school code, MCL 380.1280c, that public school is considered to be an achievement school within the education achievement system and not a school that is part of a district, and a pupil attending that public school is considered to be in membership in the education achievement system and not in membership in the district that operated the school before the transfer.
- (8) Subject to subsection (4), for a district that is formed or reconfigured after June 1, 2002 by consolidation of 2 or more districts or by annexation, the resulting district's foundation allowance under this section beginning after the effective date of the consolidation or annexation shall be the lesser of the sum of the average of the foundation allowances of each of the original or affected districts, calculated as provided in this section, weighted as to the percentage of pupils in total membership in the resulting district who reside in the geographic area of each of the original or affected districts plus \$100.00 or the highest foundation allowance among the original or affected districts. This subsection does not apply to a receiving district unless there is a subsequent consolidation or annexation that affects the district.
- (9) Each fraction used in making calculations under this section shall be rounded to the fourth decimal place and the dollar amount of an increase in the basic foundation allowance shall be rounded to the nearest whole dollar.

- (10) State payments related to payment of the foundation allowance for a special education pupil are not calculated under this section but are instead calculated under section 51a.
- (11) To assist the legislature in determining the basic foundation allowance for the subsequent state fiscal year, each revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b, shall calculate a pupil membership factor, a revenue adjustment factor, and an index as follows:
- (a) The pupil membership factor shall be computed by dividing the estimated membership in the school year ending in the current state fiscal year, excluding intermediate district membership, by the estimated membership for the school year ending in the subsequent state fiscal year, excluding intermediate district membership. If a consensus membership factor is not determined at the revenue estimating conference, the principals of the revenue estimating conference shall report their estimates to the house and senate subcommittees responsible for school aid appropriations not later than 7 days after the conclusion of the revenue conference.
- (b) The revenue adjustment factor shall be computed by dividing the sum of the estimated total state school aid fund revenue for the subsequent state fiscal year plus the estimated total state school aid fund revenue for the current state fiscal year, adjusted for any change in the rate or base of a tax the proceeds of which are deposited in that fund and excluding money transferred into that fund from the countercyclical budget and economic stabilization fund under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, by the sum of the estimated total school aid fund revenue for the current state fiscal year plus the estimated total state school aid fund revenue for the immediately preceding state fiscal year, adjusted for any change in the rate or base of a tax the proceeds of which are deposited in that fund. If a consensus revenue factor is not determined at the revenue estimating conference, the principals of the revenue estimating conference shall report their estimates to the house and senate subcommittees responsible for school aid appropriations not later than 7 days after the conclusion of the revenue conference.
- (c) The index shall be calculated by multiplying the pupil membership factor by the revenue adjustment factor. If a consensus index is not determined at the revenue estimating conference, the principals of the revenue estimating conference shall report their estimates to the house and senate subcommittees responsible for school aid appropriations not later than 7 days after the conclusion of the revenue conference.
- (12) For a district that received a grant under former section 32e for 2001-2002, the district's foundation allowance for 2002-2003 and each succeeding fiscal year shall be adjusted to be an amount equal to the sum of the district's foundation allowance, as otherwise calculated under this section, plus the quotient of 100% of the amount of the grant award to the district for 2001-2002 under former section 32e divided by the number of pupils in the district's membership for 2001-2002 who were residents of and enrolled in the district. All of the following apply to districts receiving a foundation allowance adjustment under this subsection:
- (a) Except as otherwise provided in this subdivision, a district qualifying for a foundation allowance adjustment under this subsection shall use the funds resulting from this adjustment for at least 1 of grades K to 3 for purposes allowable under former section 32e as in effect for 2001-2002. For an individual school or schools operated by a district qualifying for a foundation allowance adjustment under this subsection that have been determined by the department to meet the adequate yearly progress standards of the federal no child left behind act of 2001, Public Law 107-110, in both mathematics and English language arts at all applicable grade levels for all applicable subgroups, the district may submit to the department an application for flexibility in using the funds resulting from this adjustment that are attributable to the pupils in the school or schools. The application shall identify the affected school or schools and the affected funds and shall contain a plan for using the funds for specific purposes identified by the district that are designed to reduce class size, but that may be different from the purposes otherwise allowable under this subdivision. The department shall approve the application if the department determines that the purposes identified in the plan are reasonably designed to reduce class size. If the department does not act to approve or disapprove an application within 30 days after it is submitted to the department, the application is considered to be approved. If an application for flexibility in using the funds is approved, the district may use the funds identified in the application for any purpose identified in the plan.
- (b) A district receiving an adjustment under this subsection shall not receive as a result of this adjustment an amount that exceeds 68.5%—79.0% of the amount the district received as a result of this adjustment for 2010-2011.
- (c) Notwithstanding subsection (8), for a district that is formed or reconfigured by consolidation of 2 or more districts, 1 of which received an adjustment under this subsection for 2012-2013, the resulting district's foundation allowance for 2013-2014 and each succeeding fiscal year shall be adjusted to be an amount equal to the sum of the resulting district's foundation allowance as calculated under subsection (8) excluding any adjustment calculated under this subsection plus [(the original district's adjustment under this subsection in 2012-2013 times the number of pupils in the original district's membership for 2012-2013) divided by the number of pupils in the resulting district's membership for 2013-2014].
- (d) Beginning in 2013-2014, for a district that received an adjustment for the immediately preceding fiscal year and that had a foundation allowance as adjusted by this subsection for the immediately preceding fiscal year equal to \$6,966.00, the district shall not receive an adjustment under this section for the current fiscal year.
- (13) Payments to districts, public school academies, or the education achievement system shall not be made under this section. Rather, the calculations under this section shall be used to determine the amount of state payments under section 22b.

- (14) If an amendment to section 2 of article VIII of the state constitution of 1963 allowing state aid to some or all nonpublic schools is approved by the voters of this state, each foundation allowance or per pupil payment calculation under this section may be reduced.
  - (15) As used in this section:
- (a) "Certified mills" means the lesser of 18 mills or the number of mills of school operating taxes levied by the district in 1993-94.
- (b) "Combined state and local revenue" means the aggregate of the district's state school aid received by or paid on behalf of the district under this section and the district's local school operating revenue.
- (c) "Combined state and local revenue per membership pupil" means the district's combined state and local revenue divided by the district's membership excluding special education pupils.
  - (d) "Current state fiscal year" means the state fiscal year for which a particular calculation is made.
- (e) "Dissolved district" means a district that loses its organization, has its territory attached to 1 or more other districts, and is dissolved as provided under section 12 of the revised school code, MCL 380.12.
- (f) "Immediately preceding state fiscal year" means the state fiscal year immediately preceding the current state fiscal year.
- (g) "Local school operating revenue" means school operating taxes levied under section 1211 of the revised school code, MCL 380.1211. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, local school operating revenue does not include school operating taxes levied within the geographic area of the dissolved district.
- (h) "Local school operating revenue per membership pupil" means a district's local school operating revenue divided by the district's membership excluding special education pupils.
- (i) "Maximum public school academy allocation", except as otherwise provided in this subdivision, means the maximum per-pupil allocation as calculated by adding the highest per-pupil allocation among all public school academies for the immediately preceding state fiscal year plus the difference between twice the dollar amount of the adjustment from the immediately preceding state fiscal year to the current state fiscal year made in the basic foundation allowance and [(the dollar amount of the adjustment from the immediately preceding state fiscal year to the current state fiscal year made in the basic foundation allowance minus \$10.00) times (the difference between the highest per-pupil allocation among all public school academies for the immediately preceding state fiscal year and the sum of \$7,108.00 plus the total dollar amount of all adjustments made from 2006-2007 to the immediately preceding state fiscal year in the lowest per-pupil allocation among all public school academies) divided by the difference between the basic foundation allowance for the current state fiscal year and the sum of \$7,108.00 plus the total dollar amount of all adjustments made from 2006-2007 to the immediately preceding state fiscal year in the lowest per-pupil allocation among all public school academies].
- (j) "Membership" means the definition of that term under section 6 as in effect for the particular fiscal year for which a particular calculation is made.
- (k) "Nonexempt property" means property that is not a principal residence, qualified agricultural property, qualified forest property, supportive housing property, industrial personal property, or commercial personal property.
- (1) "Principal residence", "qualified agricultural property", "qualified forest property", "supportive housing property", "industrial personal property", and "commercial personal property" mean those terms as defined in section 1211 of the revised school code, MCL 380.1211.
- (m) "Receiving district" means a district to which all or part of the territory of a dissolved district is attached under section 12 of the revised school code, MCL 380.12.
- (n) "School operating purposes" means the purposes included in the operation costs of the district as prescribed in sections 7 and 18 and purposes authorized under section 1211 of the revised school code, MCL 380.1211.
- (o) "School operating taxes" means local ad valorem property taxes levied under section 1211 of the revised school code, MCL 380.1211, and retained for school operating purposes.
- (p) "Tax increment financing acts" means 1975 PA 197, MCL 125.1651 to 125.1681, the tax increment finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830, the local development financing act, 1986 PA 281, MCL 125.2151 to 125.2174, the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672, or the corridor improvement authority act, 2005 PA 280, MCL 125.2871 to 125.2899.
- (q) "Taxable value per membership pupil" means taxable value, as certified by the department of treasury, for the calendar year ending in the current state fiscal year divided by the district's membership excluding special education pupils for the school year ending in the current state fiscal year."
- 2. Amend page 17, line 15, by striking out "\$3,335,000,000.00" and inserting "\$3,337,000,000.00" and adjusting the totals in section 11 and enacting section 1 accordingly.

The motion did not prevail and the amendments were not adopted, a majority of the members serving not voting therefor.

Rep. Dillon moved to amend the Senate substitute (S-1), as substituted (H-4), as follows:

1. Amend page 22, following line 21, by inserting:

"Sec. 31a. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2013-2014 an amount not to exceed \$317,695,500.00 \$347,695,500.00 for payments to eligible districts, eligible public school academies, and the education achievement system under this section. Subject to subsection (14), the amount of the additional allowance under this section, other than funding under subsection (6) or (7), shall be based on the number of actual pupils in membership in the district or public school academy or the education achievement system who met the income eligibility criteria for free breakfast, lunch, or milk in the immediately preceding state fiscal year, as determined under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769i, and reported to the department not later than the fifth Wednesday after the pupil membership count day of the immediately preceding fiscal year and adjusted not later than December 31 of the immediately preceding fiscal year in the form and manner prescribed by the center. However, for a public school academy that began operations as a public school academy, or for an achievement school that began operations as an achievement school, after the pupil membership count day of the immediately preceding school year, the basis for the additional allowance under this section shall be the number of actual pupils in membership in the public school academy or the education achievement system who met the income eligibility criteria for free breakfast, lunch, or milk in the current state fiscal year, as determined under the Richard B. Russell national school lunch act and reported to the department not later than the fifth Wednesday after the pupil membership count day.

- (2) To be eligible to receive funding under this section, other than funding under subsection (6) or (7), a district or public school academy that has not been previously determined to be eligible or the education achievement system shall apply to the department, in a form and manner prescribed by the department, and a district or public school academy or the education achievement system must meet all of the following:
- (a) The sum of the district's or public school academy's or the education achievement system's combined state and local revenue per membership pupil in the current state fiscal year, as calculated under section 20, is less than or equal to the basic foundation allowance under section 20 for the current state fiscal year.
- (b) The district or public school academy or the education achievement system agrees to use the funding only for purposes allowed under this section and to comply with the program and accountability requirements under this section.
- (3) Except as otherwise provided in this subsection, an eligible district or eligible public school academy or the education achievement system shall receive under this section for each membership pupil in the district or public school academy or the education achievement system who met the income eligibility criteria for free breakfast, lunch, or milk, as determined under the Richard B. Russell national school lunch act and as reported to the department not later than the fifth Wednesday after the pupil membership count day of the immediately preceding fiscal year and adjusted not later than December 31 of the immediately preceding fiscal year, an amount per pupil equal to 11.5% of the sum of the district's foundation allowance or the public school academy's or the education achievement system's per pupil amount calculated under section 20, not to exceed the basic foundation allowance under section 20 for the current state fiscal year, or of the public school academy's or the education achievement system's per membership pupil amount calculated under section 20 for the current state fiscal year. A public school academy that began operations as a public school academy, or an achievement school that began operations as an achievement school, after the pupil membership count day of the immediately preceding school year shall receive under this section for each membership pupil in the public school academy or in the education achievement system who met the income eligibility criteria for free breakfast, lunch, or milk, as determined under the Richard B. Russell national school lunch act and as reported to the department not later than the fifth Wednesday after the pupil membership count day of the current fiscal year and adjusted not later than December 31 of the current fiscal year, an amount per pupil equal to 11.5% of the public school academy's or the education achievement system's per membership pupil amount calculated under section 20 for the current state fiscal year.
- (4) Except as otherwise provided in this section, a district or public school academy, or the education achievement system, receiving funding under this section shall use that money only to provide instructional programs and direct noninstructional services, including, but not limited to, medical or counseling services, for at-risk pupils; for school health clinics; and for the purposes of subsection (5), (6), or (7). In addition, a district that is a school district of the first class or a district or public school academy in which at least 50% of the pupils in membership met the income eligibility criteria for free breakfast, lunch, or milk in the immediately preceding state fiscal year, as determined and reported as described in subsection (1), or the education achievement system if it meets this requirement, may use not more than 20% of the funds it receives under this section for school security. A district, the public school academy, or the education achievement system shall not use any of that money for administrative costs or to supplant another program or other funds, except for funds allocated to the district or public school academy or the education achievement system under this section in the immediately preceding year and already being used by the district or public school academy or the education achievement system for at-risk pupils. The instruction or direct noninstructional services provided under this section may be conducted before or after regular school hours or by adding extra school days to the school year and may include, but are not limited to, tutorial services, early childhood programs to serve children age 0 to 5, and reading programs as described in former section 32f as in effect for 2001-2002. A tutorial method may be conducted with paraprofessionals working under the supervision of a certificated teacher. The ratio of pupils to paraprofessionals shall be

- between 10:1 and 15:1. Only 1 certificated teacher is required to supervise instruction using a tutorial method. As used in this subsection, "to supplant another program" means to take the place of a previously existing instructional program or direct noninstructional services funded from a funding source other than funding under this section.
- (5) Except as otherwise provided in subsection (12), a district or public school academy that receives funds under this section and that operates a school breakfast program under section 1272a of the revised school code, MCL 380.1272a, or the education achievement system if it operates a school breakfast program, shall use from the funds received under this section an amount, not to exceed \$10.00 per pupil for whom the district or public school academy or the education achievement system receives funds under this section, necessary to pay for costs associated with the operation of the school breakfast program.
- (6) From the funds allocated under subsection (1), there is allocated for 2013-2014 an amount not to exceed \$3,557,300.00 to support child and adolescent health centers. These grants shall be awarded for 5 consecutive years beginning with 2003-2004 in a form and manner approved jointly by the department and the department of community health. Each grant recipient shall remain in compliance with the terms of the grant award or shall forfeit the grant award for the duration of the 5-year period after the noncompliance. To continue to receive funding for a child and adolescent health center under this section a grant recipient shall ensure that the child and adolescent health center has an advisory committee and that at least one-third of the members of the advisory committee are parents or legal guardians of school-aged children. A child and adolescent health center program shall recognize the role of a child's parents or legal guardian in the physical and emotional well-being of the child. Funding under this subsection shall be used to support child and adolescent health center services provided to children up to age 21. If any funds allocated under this subsection are not used for the purposes of this subsection for the fiscal year in which they are allocated, those unused funds shall be used that fiscal year to avoid or minimize any proration that would otherwise be required under subsection (14) for that fiscal year.
- (7) From the funds allocated under subsection (1), there is allocated for 2013-2014 an amount not to exceed \$5,150,000.00 for the state portion of the hearing and vision screenings as described in section 9301 of the public health code, 1978 PA 368, MCL 333.9301. A local public health department shall pay at least 50% of the total cost of the screenings. The frequency of the screenings shall be as required under R 325.13091 to R 325.13096 and R 325.3271 to R 325.3276 of the Michigan administrative code. Funds shall be awarded in a form and manner approved jointly by the department and the department of community health. Notwithstanding section 17b, payments to eligible entities under this subsection shall be paid on a schedule determined by the department.
- (8) Each district or public school academy receiving funds under this section and the education achievement system shall submit to the department by July 15 of each fiscal year a report, not to exceed 10 pages, on the usage by the district or public school academy or the education achievement system of funds under this section, which report shall include at least a brief description of each program conducted by the district or public school academy or the education achievement system using funds under this section, the amount of funds under this section allocated to each of those programs, the number of at-risk pupils eligible for free or reduced price school lunch who were served by each of those programs, and the total number of at-risk pupils served by each of those programs. If a district or public school academy or the education achievement system does not comply with this subsection, the department shall withhold an amount equal to the August payment due under this section until the district or public school academy or the education achievement system complies with this subsection. If the district or public school academy or the education achievement system does not comply with this subsection by the end of the state fiscal year, the withheld funds shall be forfeited to the school aid fund.
- (9) In order to receive funds under this section, a district or public school academy or the education achievement system shall allow access for the department or the department's designee to audit all records related to the program for which it receives those funds. The district or public school academy or the education achievement system shall reimburse the state for all disallowances found in the audit.
- (10) Subject to subsections (5), (6), (7), (12), and (13), a district may use up to 100% of the funds it receives under this section to reduce the ratio of pupils to teachers in grades K-12, or any combination of those grades, in school buildings in which the percentage of pupils described in subsection (1) exceeds the district's aggregate percentage of those pupils. Subject to subsections (5), (6), (7), (12), and (13), a district may use up to 100% of the funds it receives under this section to reduce the ratio of pupils to teachers in grades K-12, or any combination of those grades, in school buildings in which the percentage of pupils described in subsection (1) is at least 60% of the district's aggregate percentage of those pupils and at least 30% of the total number of pupils enrolled in the school building.
- (11) A district or public school academy or the education achievement system may use funds received under this section for adult high school completion, general educational development (G.E.D.) test preparation, adult English as a second language, or adult basic education programs described in section 107.
- (12) For an individual school or schools operated by a district or public school academy receiving funds under this section or the education achievement system that have been determined by the department to meet the adequate yearly progress standards of the no child left behind act of 2001, Public Law 107-110, in both mathematics and English language arts at all applicable grade levels for all applicable subgroups, the district or public school academy or the education achievement system may use not more than 20% of the funds it receives under this section for specific alternative

purposes identified by the district or public school academy or the education achievement system that are designed to benefit at-risk pupils in the school, but that may be different from the purposes otherwise allowable under this section. If a district or public school academy or the education achievement system uses funds for alternative purposes allowed under the flexibility provisions under this subsection, the district or public school academy or the education achievement system shall maintain documentation of the amounts used for those alternative purposes and shall make that information available to the department upon request.

- (13) A district or public school academy that receives funds under this section or the education achievement system may use funds it receives under this section to implement and operate an early intervening program for pupils in grades K to 3 that meets either or both of the following:
- (a) Monitors individual pupil learning and provides specific support or learning strategies to pupils as early as possible in order to reduce the need for special education placement. The program shall include literacy and numeracy supports, sensory motor skill development, behavior supports, instructional consultation for teachers, and the development of a parent/school learning plan. Specific support or learning strategies may include support in or out of the general classroom in areas including reading, writing, math, visual memory, motor skill development, behavior, or language development. These would be provided based on an understanding of the individual child's learning needs.
- (b) Provides early intervening strategies using school-wide systems of academic and behavioral supports and is scientifically research-based. The strategies to be provided shall include at least pupil performance indicators based upon response to intervention, instructional consultation for teachers, and ongoing progress monitoring. A school-wide system of academic and behavioral support should be based on a support team available to the classroom teachers. The members of this team could include the principal, special education staff, reading teachers, and other appropriate personnel who would be available to systematically study the needs of the individual child and work with the teacher to match instruction to the needs of the individual child.
- (14) If necessary, and before any proration required under section 296, the department shall prorate payments under this section by reducing the amount of the per pupil payment under this section by a dollar amount calculated by determining the amount by which the amount necessary to fully fund the requirements of this section exceeds the maximum amount allocated under this section and then dividing that amount by the total statewide number of pupils who met the income eligibility criteria for free breakfast, lunch, or milk in the immediately preceding fiscal year, as described in subsection (1).
- (15) If a district is formed by consolidation after June 1, 1995, and if 1 or more of the original districts was not eligible before the consolidation for an additional allowance under this section, the amount of the additional allowance under this section for the consolidated district shall be based on the number of pupils described in subsection (1) enrolled in the consolidated district who reside in the territory of an original district that was eligible before the consolidation for an additional allowance under this section.
- (16) As used in this section, "at-risk pupil" means a pupil for whom the district has documentation that the pupil meets at least 2 of the following criteria: is a victim of child abuse or neglect; is below grade level in English language arts or mathematics; is a pregnant teenager or teenage parent; is eligible for a federal free or reduced-price lunch subsidy; has atypical behavior or attendance patterns; or has a family history of school failure, incarceration, or substance abuse. At-risk pupil also includes all pupils in a priority school as defined in the elementary and secondary education act of 2001 flexibility request approved by the United States department of education. For pupils for whom the results of at least the applicable Michigan education assessment program (MEAP) test have been received, at-risk pupil also includes a pupil who does not meet the other criteria under this subsection but who did not achieve at least a score of level 2 on the most received. For pupils for whom the results of the Michigan merit examination have been received, at-risk pupil also includes a pupil who does not meet the other criteria under this subsection but who did not achieve proficiency on the reading, writing, mathematics, science, or social studies components of the most recent Michigan merit examination for which results for the pupil have been received. For pupils in grades K-3, at-risk pupil also includes a pupil who is at risk of not meeting the district's core academic curricular objectives in English language arts or mathematics.
- (17) A district or public school academy that receives funds under this section or the education achievement system may use funds received under this section to provide an anti-bullying or crisis intervention program." and adjusting the totals in section 11 and enacting section 1 accordingly.

The motion did not prevail and the amendment was not adopted, a majority of the members serving not voting therefor. The question being on concurring in the substitute (S-1) made to the bill by the Senate,

The substitute (S-1), as substituted (H-4), was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 169 Yeas—105

Abed Glardon Lane Roberts
Banks Goike Lauwers Rogers

Barnett Bolger **Brinks** Brown Brunner Bumstead Callton Cavanagh Clemente Cochran Cotter Crawford Daley Darany Denby Dianda Dillon Driskell Durhal Faris Farrington Forlini Foster Franz Geiss

Graves Greimel Haines Haugh Haveman Heise Hobbs Hooker Hovey-Wright Howrylak Irwin Jacobsen Jenkins Johnson Kandrevas Kelly Kesto Kivela Knezek Kosowski Kowall Kurtz

LaFontaine

Lamonte

Leonard Lori Lund Lyons MacGregor MacMaster McCann McCready Muxlow Nathan Nesbitt O'Brien Oakes Olumba Outman Pagel Pettalia Phelps Poleski Potvin Price Pscholka Rendon

LaVoy

Schor Segal Shirkey Singh Slavens Smilev Somerville Stallworth Stamas Stanley Switalski Talabi Tlaib Townsend VerHeulen Victory Walsh Yanez Yonker Zemke Zorn

Rutledge

Santana

Schmidt

Navs—4

Genetski McBroom McMillin Robinson

In The Chair: Walsh

The question being on agreeing to the title of the bill,

Rep. Stamas moved to amend the title to read as follows:

A bill to amend 1979 PA 94, entitled "An act to make appropriations to aid in the support of the public schools, the intermediate school districts, community colleges, and public universities of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts," by amending sections 11, 11m, 20g, 21f, 22a, 22b, 22g, 51a, 51c, 99h, 101, and 147c (MCL 388.1611, 388.1611m, 388.1620g, 388.1621f, 388.1622a, 388.1622b, 388.1622g, 388.1651a, 388.1651c, 388.1699h, 388.1701, and 388.1747c), sections 11 and 22a as amended and section 20g as added by 2013 PA 97, sections 11m, 22b, 22g, 51a, 51c, 101, and 147c as amended and section 99h as added by 2013 PA 60, and section 21f as amended by 2013 PA 130, and by adding sections 25h, 31b, 32r, 64d, and 94.

The motion prevailed.

The House agreed to the title as amended

Rep. McBroom, having reserved the right to explain his nay vote, made the following statement:

as I explained on initial passage of this school aid supplemental, I believe this bill is fatally flawed by creating an incentive to switch to year-round school without the legislature having a substantive debate on the merits or faults of the policy. I am very open to the discussion about changing the traditional school calendar. Perhaps certain communities

<sup>&</sup>quot;Mr. Speaker and members of the House:

are supportive of this. However, other communities may wish to maintain the traditional calendar; whether for agrarian purposes, tourism, or just the tradition of summer vacation, we now place superintendents and school boards in the difficult position of recommending a change that may help them obtain money versus maintaining the calendar their communities support.

Schools also already have the ability to pursue year round calendars. Besides the issue of baiting the switch without a policy discussion, the need for the money is not proven. The dollars are ostensibly for necessary building 'summerizing.' However, many schools already promote programs all summer in their buildings as they are. Also, many of the affected students do not have air conditioning in their own homes creating something they would not have regardless.

Ultimately, what happened to the half-day kindergarten is the same thing that will happen here. We did not debate the issue but instead created a monetary situation leading nearly every school in the state to abandon half-day kindergarten for the better compensated full-day kindergarten. Year-round school is a very fundamental change to our long established culture and tradition. We need a robust debate on the future of summer camps- the campers and counselors, summer jobs, agricultural family needs, religious opportunities, scouting, state and county fairs, family traditions, and countless other regular activities that depend on the summer vacation time to properly function. Clearly, we want a policy that is best for the children of this state but where is the research to show that it is all gain and no loss to change our calendar? Perhaps students do lose some skills by missing some time. But perhaps they gain other assets and skills from the time with their families, from their jobs, from their community involvement, etc.

Mr. Speaker, we have not had that debate and therefore, to send money to incentivize the change is not good government and not responsible policy and certainly not a wise investment. Therefore, I am opposing this bill and encourage the members to put forward a debate on the real issue at hand and not just do the easy thing of throwing money at a completely unvetted major policy change. Thank you, Mr. Speaker."

# Second Reading of Bills

#### House Bill No. 4957, entitled

A bill to amend 2001 PA 142, entitled "Michigan memorial highway act," (MCL 250.1001 to 250.2080) by adding section 1068.

Was read a second time, and the question being on the adoption of the proposed substitute (H-1) previously recommended by the Committee on Transportation and Infrastructure,

The substitute (H-1) was adopted, a majority of the members serving voting therefor.

Rep. Foster moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

#### House Bill No. 5064, entitled

A bill to amend 2001 PA 142, entitled "Michigan memorial highway act," (MCL 250.1001 to 250.2080) by adding section 84.

The bill was read a second time.

Rep. Schmidt moved to amend the bill as follows:

- 1. Amend page 1, line 1, after "84." by inserting "(1)".
- 2. Amend page 1, following line 2, by inserting:

"(2) IF SUFFICIENT PRIVATE CONTRIBUTIONS ARE RECEIVED TO PAY THE COST OF ERECTING AND MAINTAINING SUITABLE MARKERS FOR THE HIGHWAY DESCRIBED IN THIS SECTION AS PROVIDED IN SECTION 2, THOSE MARKERS SHALL ONLY BE PLACED ALONG HIGHWAY I-75 WITHIN 5 MILES OF THE FOLLOWING 2 LOCATIONS:

- (A) THE BORDER BETWEEN MICHIGAN AND OHIO.
- (B) THE BORDER BETWEEN MICHIGAN AND CANADA.".

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

Rep. Rutledge moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

#### House Bill No. 5257, entitled

A bill to amend 2001 PA 142, entitled "Michigan memorial highway act," (MCL 250.1001 to 250.2080) by adding section 81.

The bill was read a second time.

Rep. Franz moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Rep. Stamas moved that House Committees be given leave to meet during the balance of today's session. The motion prevailed.

By unanimous consent the House returned to the order of

#### Announcement by the Clerk of Printing and Enrollment

The Clerk announced that the following bills had been printed and placed upon the files of the members on Wednesday, March 26:

House Bill Nos. 5421 5422 5423 5424 5425 5426 5427

The Clerk announced that the following Senate bills had been received on Wednesday, March 26: Senate Bill Nos. 431 585 593 597 598 613 714 758 786 787 862 869

# **Reports of Standing Committees**

The Committee on Criminal Justice, by Rep. Heise, Chair, reported

# House Bill No. 5230, entitled

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending sections 3801, 3805, 3810, 3815, 3820, 3825, and 3835 (MCL 600.3801, 600.3805, 600.3810, 600.3815, 600.3820, 600.3825, and 600.3835), section 3801 as amended by 2012 PA 352.

With the recommendation that the substitute (H-3) be adopted and that the bill then pass.

The bill and substitute were referred to the order of Second Reading of Bills.

#### Favorable Roll Call

To Report Out:

Yeas: Reps. Heise, Graves, Kurtz, Callton, Kesto, Oakes and Kivela

Nays: Reps. Robinson and Banks

# COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Heise, Chair, of the Committee on Criminal Justice, was received and read:

Meeting held on: Wednesday, March 26, 2014

Present: Reps. Heise, Graves, Kurtz, Callton, McBroom, Kesto, Oakes, Robinson, Kivela and Banks

Absent: Rep. O'Brien Excused: Rep. O'Brien

#### COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Daley, Chair, of the Committee on Agriculture, was received and read:

Meeting held on: Wednesday, March 26, 2014

Present: Reps. Daley, Denby, Kurtz, Glardon, Johnson, McBroom, Outman, Rendon, Victory, Lauwers, Pagel, Brunner, Smiley, Hovey-Wright, LaVoy, Geiss and Talabi

# COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Nesbitt, Chair, of the Committee on Energy and Technology, was received and read:

Meeting held on: Tuesday, March 25, 2014

Present: Reps. Nesbitt, Shirkey, Farrington, Franz, Jacobsen, Outman, Pettalia, Price, Schmidt, Zorn, Graves, Lauwers, Howrylak, Stallworth, Hobbs, Nathan, LaVoy, Lane, Brunner, Yanez, Lamonte and Phelps

# **Messages from the Senate**

#### House Bill No. 4288, entitled

A bill to amend 1933 PA 167, entitled "General sales tax act," by amending section 18 (MCL 205.68), as amended by 2008 PA 438.

The Senate has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

The House agreed to the full title.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor.

#### House Bill No. 4292, entitled

A bill to amend 1937 PA 94, entitled "Use tax act," by amending section 14a (MCL 205.104a), as amended by 2008 PA 439.

The Senate has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

The House agreed to the full title.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor.

#### House Bill No. 4467, entitled

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," (MCL 500.100 to 500.8302) by adding section 125. The Senate has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

The House agreed to the full title.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor.

# Senate Bill No. 431, entitled

A bill to amend 1984 PA 431, entitled "The management and budget act," by amending section 261 (MCL 18.1261), as amended by 2012 PA 555.

The Senate has passed the bill.

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

#### Senate Bill No. 585, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by amending the title and sections 448, 449, 450, 451, and 462 (MCL 750.448, 750.449, 750.450, 750.451, and 750.462), the title as amended by 2010 PA 107, section 448 as amended by 2002 PA 45, sections 449, 450, and 462 as amended by 2002 PA 46, and section 451 as amended by 2002 PA 44, and by adding section 451b.

The Senate has passed the bill.

The bill was read a first time by its title and referred to the Committee on Criminal Justice.

# Senate Bill No. 593, entitled

A bill to amend 1994 PA 203, entitled "Foster care and adoption services act," (MCL 722.951 to 722.960) by adding section 4e.

The Senate has passed the bill.

The bill was read a first time by its title and referred to the Committee on Criminal Justice.

# Senate Bill No. 597, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending sections 16148 and 17060 (MCL 333.16148 and 333.17060), section 16148 as amended by 1995 PA 115 and section 17060 as amended by 1990 PA 247.

The Senate has passed the bill.

The bill was read a first time by its title and referred to the Committee on Criminal Justice.

# Senate Bill No. 598, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by amending section 159g (MCL 750.159g), as amended by 2012 PA 351.

The Senate has passed the bill.

The bill was read a first time by its title and referred to the Committee on Criminal Justice.

#### Senate Bill No. 613, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," (MCL 324.101 to 324.90106) by adding section 40115.

The Senate has passed the bill.

The bill was read a first time by its title and referred to the Committee on Natural Resources.

# Senate Bill No. 714, entitled

A bill to adopt the uniform collaborative law act; to allow parties to agree to a collaborative alternative dispute resolution process as an alternative to litigation; and to provide remedies.

The Senate has passed the bill.

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

# Senate Bill No. 758, entitled

A bill to amend 1974 PA 263, entitled "An act to permit counties to impose and collect an excise tax on persons engaged in the business of providing rooms for dwelling, lodging, or sleeping purposes to transient guests; to provide for the disposition of the revenues thereof; and to prescribe penalties," by amending section 4 (MCL 141.864).

The Senate has passed the bill.

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

#### Senate Bill No. 786, entitled

A bill to amend 1893 PA 206, entitled "The general property tax act," (MCL 211.1 to 211.155) by adding section 7uu. The Senate has passed the bill.

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

# Senate Bill No. 787, entitled

A bill to provide for the exemption of certain property from certain taxes; to levy and collect a specific tax upon the owners of certain property; to provide for the disposition of the tax; to prescribe the powers and duties of certain local government officials; and to provide penalties.

The Senate has passed the bill.

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

#### Senate Bill No. 862, entitled

A bill to amend 1998 PA 58, entitled "Michigan liquor control code of 1998," by amending section 531 (MCL 436.1531), as amended by 2013 PA 237.

The Senate has passed the bill.

The bill was read a first time by its title and referred to the Committee on Regulatory Reform.

#### Senate Bill No. 869, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 48716 (MCL 324.48716), as added by 1995 PA 57.

The Senate has passed the bill.

The bill was read a first time by its title and referred to the Committee on Natural Resources.

# Messages from the Governor

Date: March 25, 2014 Time: 3:35 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

# Enrolled House Bill No. 4709 (Public Act No. 42, I.E.), being

An act to amend 1998 PA 58, entitled "An act to create a commission for the control of the alcoholic beverage traffic within this state, and to prescribe its powers, duties, and limitations; to provide for powers and duties for certain state departments and agencies; to impose certain taxes for certain purposes; to provide for the control of the alcoholic liquor traffic within this state and to provide for the power to establish state liquor stores; to prohibit the use of certain devices for the dispensing of alcoholic vapor; to provide for the care and treatment of alcoholics; to provide for the incorporation of farmer cooperative wineries and the granting of certain rights and privileges to those cooperatives; to provide for the licensing and taxation of activities regulated under this act and the disposition of the money received under this act; to prescribe liability for retail licensees under certain circumstances and to require security for that liability; to provide procedures, defenses, and remedies regarding violations of this act; to provide for the enforcement and to prescribe penalties for violations of this act; to provide for allocation of certain funds for certain purposes; to provide for the confiscation and disposition of property seized under this act; to provide referenda under certain circumstances; and to repeal acts and parts of acts," by amending section 109 (MCL 436.1109), as amended by 2010 PA 213.

(Filed with the Secretary of State March 25, 2014, at 4:06 p.m.)

Date: March 25, 2014 Time: 2:34 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

# Enrolled House Bill No. 4710 (Public Act No. 43, I.E.), being

An act to amend 1998 PA 58, entitled "An act to create a commission for the control of the alcoholic beverage traffic within this state, and to prescribe its powers, duties, and limitations; to provide for powers and duties for certain state departments and agencies; to impose certain taxes for certain purposes; to provide for the control of the alcoholic liquor traffic within this state and to provide for the power to establish state liquor stores; to prohibit the use of certain devices for the dispensing of alcoholic vapor; to provide for the care and treatment of alcoholics; to provide for the incorporation of farmer cooperative wineries and the granting of certain rights and privileges to those cooperatives; to provide for the licensing and taxation of activities regulated under this act and the disposition of the money received under this act; to prescribe liability for retail licensees under certain circumstances and to require security for that liability; to provide procedures, defenses, and remedies regarding violations of this act; to provide for the enforcement and to prescribe penalties for violations of this act; to provide for allocation of certain funds for certain purposes; to provide for the confiscation and disposition of property seized under this act; to provide referenda under certain circumstances; and to repeal acts and parts of acts," by amending section 603 (MCL 436.1603), as amended by 2011 PA 298.

(Filed with the Secretary of State March 25, 2014, at 4:08 p.m.)

Date: March 25, 2014 Time: 2:36 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

# Enrolled House Bill No. 4711 (Public Act No. 44, I.E.), being

An act to amend 1998 PA 58, entitled "An act to create a commission for the control of the alcoholic beverage traffic within this state, and to prescribe its powers, duties, and limitations; to provide for powers and duties for certain state departments and agencies; to impose certain taxes for certain purposes; to provide for the control of the alcoholic liquor traffic within this state and to provide for the power to establish state liquor stores; to prohibit the use of certain devices for the dispensing of alcoholic vapor; to provide for the care and treatment of alcoholics; to provide for the incorporation of farmer cooperative wineries and the granting of certain rights and privileges to those cooperatives; to provide for the licensing and taxation of activities regulated under this act and the disposition of the money received under this act; to prescribe liability for retail licensees under certain circumstances and to require security for that liability; to provide procedures, defenses, and remedies regarding violations of this act; to provide for the enforcement and to prescribe penalties for violations of this act; to provide for allocation of certain funds for certain purposes; to provide for the confiscation and disposition of property seized under this act; to provide referenda under certain circumstances; and to repeal acts and parts of acts," by amending section 411 (MCL 436.1411), as amended by 2011 PA 298.

(Filed with the Secretary of State March 25, 2014, at 4:10 p.m.)

#### **Introduction of Bills**

Rep. Heise introduced

# House Bill No. 5428, entitled

A bill to amend 1909 PA 283, entitled "An act to revise, consolidate, and add to the laws relating to the establishment, opening, discontinuing, vacating, closing, altering, improvement, maintenance, and use of the public highways and private roads; the condemnation of property and gravel therefor; the building, repairing and preservation of bridges; maintaining public access to waterways under certain conditions; setting and protecting shade trees, drainage, and cutting weeds and brush within this state; providing for the election or appointment and defining the powers, duties, and compensation of state, county, township, and district highway officials; and to prescribe penalties and provide remedies," by amending section 21 (MCL 224.21), as amended by 1996 PA 23, and by adding section 21a.

The bill was read a first time by its title and referred to the Committee on Transportation and Infrastructure.

Rep. Jenkins introduced

# House Bill No. 5429, entitled

A bill to amend 2008 PA 551, entitled "Uniform securities act (2002)," by amending section 202a (MCL 451.2202a), as added by 2013 PA 264.

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

Rep. Jenkins introduced

#### House Bill No. 5430, entitled

A bill to amend 2008 PA 551, entitled "Uniform securities act (2002)," by amending section 102 (MCL 451.2102) and by adding sections 600 and 600a.

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

Rep. Hobbs introduced

# House Bill No. 5431, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," (MCL 380.1 to 380.1852) by adding section 1162. The bill was read a first time by its title and referred to the Committee on Education.

Reps. MacMaster, Graves, Daley, Franz, McBroom, Somerville, Kelly and Genetski introduced House Bill No. 5432, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 41301 and 41302 (MCL 324.41301 and 324.41302), section 41301 as amended by 2009 PA 51 and section 41302 as added by

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

# **Announcements by the Clerk**

March 25, 2014

Received from the Auditor General a copy of the following audit report and/or report summary: Performance audit of the Michigan Public Service Commission, Department of Licensing and Regulatory Affairs, March 2014.

> Gary L. Randall Clerk of the House

Rep. Potvin moved that the House adjourn. The motion prevailed, the time being 3:45 p.m.

The Speaker Pro Tempore declared the House adjourned until Thursday, March 27, at 12:00 Noon.

GARY L. RANDALL Clerk of the House of Representatives