

**No. 64**  
**STATE OF MICHIGAN**  
**Journal of the Senate**  
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**REGULAR SESSION OF 2007**

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Senate Chamber, Lansing, Tuesday, June 26, 2007.

10:00 a.m.

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

The roll was called by the Secretary of the Senate, who announced that a quorum was not present.

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

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

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

Reverend Jeanne M. Randels of Okemos Community Church of Okemos offered the following invocation:

Holy God, in awe and wonder we turn to You knowing that You are the Maker and Creator of all that there is. We see and recognize Your greatness in the world around us, and we experience Your power throughout the universe. We know that You hold all that there is in Your great hand, and in amazement we view Your creation. It's scripture that tells us that You are also a God who loves and cares for each of us individually and personally as an attentive parent cares for well-loved children.

So we pray that You be with the men and women who gather in this room. You've already given them the desire to guide and serve the people of this state. Now give them all they need to do these things well. By the power of Your Spirit, open their hearts, clear their minds, and stir their imaginations so that the goodness of Your intention may always find a home here among us. And then bless them with the joy that comes with work well done, and grant to them always the peace that the world cannot give and cannot take away.

To You we will offer our thanks and praise. Amen.

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

### Recess

Senator Cropsey moved that the Senate recess subject to the call of the Chair.  
The motion prevailed, the time being 10:05 a.m.

10:37 a.m.

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

During the recess, Senators Thomas, Hunter, Gilbert, Patterson, Brown, Kuipers, Bishop, Van Woerkom, Jelinek, McManus, Richardville, Kahn, Stamas, George, Cassis, Pappageorge, Jansen, Hardiman, Birkholz, Allen and Garcia entered the Senate Chamber.

A quorum of the Senate was present.

### Motions and Communications

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

June 21, 2007

Enclosed is a copy of the following audit report:

Financial audit of the Commercial Mobile Radio Service Emergency Telephone Fund, Department of Treasury and Michigan Department of State Police.

June 22, 2007

Enclosed is a copy of the following audit report:

Financial audit, including the provisions of the Single Audit Act, of the Department of Agriculture for the period October 1, 2004 through September 30, 2006.

June 22, 2007

Enclosed is a copy of the following audit report:

Financial audit, including the provisions of the Single Audit Act, of the Department of Labor and Economic Growth for the period October 1, 2004 through September 30, 2006.

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

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

The following communication was received:  
Department of Human Services

June 14, 2007

Pursuant to Section 1002 of P.A. 345 of FY 2006, we are enclosing a copy of the following report:

<u>Type of Report</u>	<u>Facility</u>	<u>Report #</u>	<u>License #</u>
Special Investigation Report	Arbor Heights Community Justice Center	2007C0207010	CS810200952

This report was performed in compliance with the requirements of P.A. 116 of 1973 as amended, and the Administrative Rules for Child Caring Institutions. The report may also be viewed on our website, within 48 hours, under "Online Lookups, Child Welfare Licensed Facilities" at the following address: <http://www.michigan.gov/dhslicensing>.

If you have any questions regarding this information, please feel free to contact Miriam E.J. Wilson at 517-373-8383.

Sincerely,  
Marianne Udow

The communication was referred to the Secretary for record.

The following communication was received:  
Public Service Commission

June 21, 2007

The enclosed annual report, *Status of Telecommunications Competition in Michigan*, is submitted on behalf of the Michigan Public Service Commission in accordance with Section 103 of the Michigan Telecommunications Act (MTA). This report will be available on the Commission website at [www.michigan.gov/mpsc](http://www.michigan.gov/mpsc). The purpose of this report is to describe the status of competition in telecommunications services in Michigan, including, but not limited to, the toll and local exchange service markets in the state. This report includes information on the traditional wireline industry as well as services provided via diverse telecommunications technologies.

In 2006, the total number of wirelines in Michigan decreased by 3.9% from the 2005 line count. The percentage of lines in the wireline market for competitive providers is now at an 18.3% share, a 2.9% reduction from 2005. The decrease in the total number of competitive wirelines from 2005 to 2006 was 17%.

As mentioned last year, the Federal Communications Commission (FCC) and the courts overturned portions of the FCC's Triennial Review Order in 2005, and eliminated the incumbents' obligation to provide an unbundled network element platform (UNE-P) to the competitors at a regulated price. The competitors' transition away from a regulated UNE-P was completed in 2006. The Commission actively participated in the efforts to transition customers in a timely and efficient manner. Today, competitive providers have completed the transition of customers from UNE-P to other methods, such as unbundled network element-loop (UNE-L) provisioning which utilizes the incumbent's loop and the competitors' switching, or Local Wholesale Complete (LWC)/Wholesale Advantage, which uses the same infrastructure as UNE-P.

Additional data available to the Commission allows for the monitoring of other non-wireline telecommunications market developments. These areas are experiencing rapid growth. Wireless subscriptions in Michigan continue to increase; an additional 630,000 subscriptions were reported to the FCC for the 12 months between June 30, 2005 and June 30, 2006 for Michigan. High speed internet connections for the same period of time also increased. The FCC reports that as of June 30, 2006 Michigan had over 1.7 million high speed internet lines. The availability of broadband service affects the development of emerging telecommunications services such as Voice over Internet Protocol (VoIP) that rely upon the ability of the customer to access the internet with high speeds of information transfer. VoIP service in Michigan is being offered by many different companies—from cable television providers to traditional telecommunications companies. For certain telecommunications companies, some of the decrease in their wireline connections are somewhat offset by customers switching to wireless or VoIP service provided by the same company or one of its affiliates.

The *Status of Telecommunications Competition in Michigan* report for 2006 finds that many factors have had an impact on Michigan's declining levels of competition in the wireline market. The elimination of UNE-P, the emergence of new technology options, and the recent mergers involving incumbents and competitors have led to a continued decrease in competition in the wireline industry in 2006. It should also be noted that these factors are governed by outside forces, such as the FCC and courts, or are affected by the introduction of new technologies into the market that are not under the direct regulatory control of this Commission.

The Commission will continue to strive to meet its obligations under the MTA to ensure a just and reasonable PBLES rate; enforce basic consumer protections, including prohibitions against slamming and cramming; and resolve disputes that arise under the MTA. At the same time, the Commission will monitor new technology developments and any impacts on the competitive landscape in Michigan. The Commission will also apprise the Governor and the Legislature of any future developments that may warrant action.

Sincerely,  
J. Peter Lark, Chairman  
Monica Martinez, Commissioner

The communication was referred to the Secretary for record.

The Secretary announced that the following House bills were received in the Senate and filed on Thursday, June 21:  
**House Bill Nos. 4609 4610**

The Secretary announced the enrollment printing and presentation to the Governor on Thursday, June 21, for her approval the following bill:

**Enrolled Senate Bill No. 487 at 3:25 p.m.**

The Secretary announced that the following official bills and joint resolution were printed on Thursday, June 21, and are available at the legislative website:

**Senate Bill Nos. 595 596 597 598 599 600**  
**House Bill Nos. 4956 4957 4958 4959 4960 4961 4962**  
**House Joint Resolution Q**

The Secretary announced that the following official bills and joint resolutions were printed on Friday, June 22, and are available at the legislative website:

**Senate Bill Nos. 601 602 603 604 605**  
**House Bill Nos. 4963 4964 4965 4966 4967 4968 4969 4970 4971 4972 4973 4974 4975 4976**  
**4977**  
**House Joint Resolutions R S T**

By unanimous consent the Senate proceeded to the order of  
**General Orders**

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

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

After some time spent therein, the Committee arose; and, the President, Lieutenant Governor Cherry, having resumed the Chair, the Committee reported back to the Senate, favorably and with a substitute therefor, the following bill:

**Senate Bill No. 530, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 82126 (MCL 324.82126), as amended by 2003 PA 2.

Substitute (S-1).

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:

**Senate Bill No. 545, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 3118 (MCL 324.3118), as amended by 2004 PA 91.

Substitute (S-2).

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

## Resolutions

**Senate Resolution No. 61.**

A resolution to memorialize the United States Congress to enact the Education Begins at Home Act.

The question being on the adoption of the resolution,

The resolution was adopted.

Senator Garcia was named co-sponsor of the resolution.

## Introduction and Referral of Bills

Senators Garcia, Pappageorge and Richardville introduced

**Senate Bill No. 606, entitled**

A bill to amend 1980 PA 299, entitled "Occupational code," by amending section 411 (MCL 339.411), as amended by 2004 PA 373.

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

Senator Cassis introduced

**Senate Bill No. 607, entitled**

A bill to prohibit employers from placing certain conditions on employment; to grant rights to employees; to impose duties and responsibilities on certain state and local officers; to make certain agreements unlawful; and to provide remedies and penalties.

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

Senator Cassis introduced

**Senate Bill No. 608, entitled**

A bill to amend 1947 PA 336, entitled "An act to prohibit strikes by certain public employees; to provide review from disciplinary action with respect thereto; to provide for the mediation of grievances and the holding of elections; to declare and protect the rights and privileges of public employees; and to prescribe means of enforcement and penalties for the violation of the provisions of this act," by amending section 10 (MCL 423.210).

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

**House Bill No. 4609, entitled**

A bill to amend 1986 PA 268, entitled "Legislative council act," (MCL 4.1101 to 4.1901) by adding section 703.

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

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

**House Bill No. 4610, entitled**

A bill to amend 1984 PA 431, entitled "The management and budget act," by amending section 442 (MCL 18.1442), as added by 1991 PA 72.

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

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

By unanimous consent the Senate returned to the order of

**General Orders**

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

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

**Recess**

Senator Cropsey moved that the Committee of the Whole recess subject to the call of the Chairperson.

The motion prevailed, the time being 11:01 a.m.

11:19 a.m.

The Committee of the Whole was called to order by the Chairperson, Senator Richardville.

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

**Senate Bill No. 546, entitled**

A bill to amend 1980 PA 300, entitled "The public school employees retirement act of 1979," by amending section 91 (MCL 38.1391), as amended by 2006 PA 617.

Substitute (S-2).

The following is the amendment to the substitute recommended by the Committee of the Whole:

1. Amend page 5, line 8, after "**SECTION.**" by inserting "**IF THE RETIRANT OR DECEASED MEMBER IS LESS THAN 60 YEARS OF AGE AT THE TIME OF APPLICATION FOR BENEFITS UNDER THIS SECTION, THE RETIREMENT SYSTEM SHALL PAY 90% OF THE MONTHLY PREMIUM OR MEMBERSHIP OR SUBSCRIPTION FEE FOR THE HOSPITAL, MEDICAL-SURGICAL, AND SICK CARE BENEFITS PLAN,**

**THE DENTAL PLAN, VISION PLAN, AND HEARING PLAN, OR ANY COMBINATION OF THE PLANS FOR THE BENEFIT OF THE RETIRANT AND HIS OR HER RETIREMENT ALLOWANCE BENEFICIARY AND THE RETIRANT'S HEALTH INSURANCE DEPENDENTS, OR FOR THE BENEFIT OF THE DECEASED MEMBER'S RETIREMENT ALLOWANCE BENEFICIARY IF THE RETIRANT OR DECEASED MEMBER HAS 30 OR MORE YEARS OF SERVICE CREDIT GRANTED UNDER SECTION 68."**

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:  
**Senate Bill No. 547, entitled**

A bill to amend 1980 PA 300, entitled "The public school employees retirement act of 1979," by amending sections 43a, 43b, 69, 69c, 69f, 75, 91, and 108 (MCL 38.1343a, 38.1343b, 38.1369, 38.1369c, 38.1369f, 38.1375, 38.1391, and 38.1408), sections 43a and 108 as amended by 2002 PA 94, sections 43b, 69, 69c, and 75 as amended and section 69f as added by 1989 PA 194, and section 91 as amended by 2004 PA 117.

Substitute (S-3).

The following is the amendment to the substitute recommended by the Committee of the Whole:

1. Amend page 13, line 19, after "**SECTION.**" by inserting "**IF THE RETIRANT OR DECEASED MEMBER IS LESS THAN 60 YEARS OF AGE AT THE TIME OF APPLICATION FOR BENEFITS UNDER THIS SECTION, THE RETIREMENT SYSTEM SHALL PAY 90% OF THE MONTHLY PREMIUM OR MEMBERSHIP OR SUBSCRIPTION FEE FOR THE HOSPITAL, MEDICAL-SURGICAL, AND SICK CARE BENEFITS PLAN, THE DENTAL PLAN, VISION PLAN, AND HEARING PLAN, OR ANY COMBINATION OF THE PLANS FOR THE BENEFIT OF THE RETIRANT AND HIS OR HER RETIREMENT ALLOWANCE BENEFICIARY AND THE RETIRANT'S HEALTH INSURANCE DEPENDENTS, OR FOR THE BENEFIT OF THE DECEASED MEMBER'S RETIREMENT ALLOWANCE BENEFICIARY IF THE RETIRANT OR DECEASED MEMBER HAS 30 OR MORE YEARS OF SERVICE CREDIT GRANTED UNDER SECTION 68.**"

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

### Recess

Senator Cropsey moved that the Senate recess subject to the call of the Chair.  
The motion prevailed, the time being 11:29 a.m.

12:23 p.m.

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

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

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

**Senate Bill No. 547**

**Senate Bill No. 546**

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

The following bill was read a third time:

**Senate Bill No. 547, entitled**

A bill to amend 1980 PA 300, entitled "The public school employees retirement act of 1979," by amending sections 43a, 43b, 69c, 69f, 75, 91, and 108 (MCL 38.1343a, 38.1343b, 38.1369c, 38.1369f, 38.1375, 38.1391, and 38.1408), sections 43a and 108 as amended by 2002 PA 94, sections 43b, 69c, and 75 as amended and section 69f as added by 1989 PA 194, and section 91 as amended by 2004 PA 117, and by adding section 60.

The question being on the passage of the bill,

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

**Roll Call No. 196****Yeas—20**

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

**Nays—17**

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

**Excused—0****Not Voting—1**

Jacobs

In The Chair: Richardville

The Senate agreed to the title of the bill.

The following bill was read a third time:

**Senate Bill No. 546, entitled**

A bill to amend 1980 PA 300, entitled "The public school employees retirement act of 1979," by amending section 91 (MCL 38.1391), as amended by 2006 PA 617.

The question being on the passage of the bill,

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

**Roll Call No. 197****Yeas—20**

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

**Nays—18**

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

**Excused—0**

**Not Voting—0**

In The Chair: Richardville

The Senate agreed to the title of the bill.

### **Protests**

Senators Whitmer and Cherry, under their constitutional right of protest (Art. 4, Sec. 18), protested against the passage of Senate Bill Nos. 547 and 546.

Senator Whitmer moved that the statement she made during the discussion of the bills be printed as her reasons for voting “no.”

The motion prevailed.

Senator Whitmer’s statement, in which Senator Cherry concurred, is as follows:

After the Governor’s issuance of a letter yesterday urging both bodies of the Legislature to take action on agreed-upon efforts, the Senate Majority had two choices. One, stay true to your word and follow-up on the public promises to move legislation forward that will serve the state; or two, go back to the party politics and gamesmanship that got us into this mess in the first place.

We have the opportunity to address real government reforms and pass effective legislation before we leave for summer recess. Now I gave a similar speech before you left for spring break. I know we had a marathon session before you left for Memorial Day weekend, and I’m going to say it again. Before you take a break, we should get our work done.

Instead, today you are discharging bills in a retaliatory manner that doesn’t get us any closer to a solution. We had a deal—a deal that envisioned compromise on both sides—but today you’ve made it clear that your word doesn’t count anymore inside the Senate than it does outside of it. We agreed to address reforms, but these are not reforms. These are purely political posturing intended to paint Democrats as unwilling to look at changes. That’s just not true. I’ve told the sponsor, the good Senator from the 30th District, that there are many of us who are willing and ready and open to work on these very reforms as part of the solution.

I don’t know about you, but if we break for summer without solving the long-term problems facing our constituents, I’m not going to have a relaxing vacation. You may be able to take a nap in a hammock while Michigan’s working class are stuck with their hand out, but I can’t. You might be able to tan on the beach while passing policies that burn Michigan citizens, but I won’t. And you might be willing to take a dip in the pool while leaving Michigan drowning in debt, but I absolutely will not stand for it.

Our timeline is real, and we are willing to stay here and work as long as it takes to do it right for the people of the state of Michigan. Local governments, schools, hospitals, almost everyone depends on a July 1 fiscal year start, and we’re talking about vacation. It’s shameful. It’s time to stop playing these games and start working toward solutions—something we all gave our word that we would do.

Senators Kuipers, Patterson, Schauer, Switalski and Bishop asked and were granted unanimous consent to make statements and moved that the statement be printed in the Journal.

The motion prevailed.

Senator Kuipers’ statement is as follows:

I guess we know what happened in caucus for the last 45 minutes. It’s time for members to put up or shut up when it comes to revenues and reforms. This is the first attempt to get at some real serious reforms that the Senate has undertaken in some time. These are not new issues. We’ve been debating these issues back and forth for months, and now, finally today’s the day where we get to move them. It’s the first step in the process. The House is going to respond with their recommended changes and then it will come back here for round two. But we can’t just keep going back and forth without taking action.

So I applaud the members of this body who voted in favor of the previous bill, and I would urge them do the same with this bill since it is tie-barred to the other one.

It’s time to start putting our money where our mouth is. We can’t just keep talking and doing nothing.



Senator Patterson's statement is as follows:

I would like to suggest to the Senator from the 23rd District that she is not in the House anymore. Maybe she should deliver that message—her statement—to the House members since they are not sending anything over here that even approaches reform or revenue enhancement.

Senator Schauer's statement is as follows:

I rise to express my opposition for this proposal and my disappointment in the political maneuvering that's going on here in this chamber. At best, this is a one-house agreement, and I say at best, it's not even that because Democrats in this chamber aren't supporting the contents of these bills that are before us. There's not agreement with the House, and there's not agreement from the Governor, so this is certainly not moving the ball forward.

Democrats have said from day one, and particularly this caucus here, that we want to solve the budget crisis in a comprehensive way that includes reforms, revenues, and cuts. Our caucus stands for a long-term solution, one that positions Michigan to be competitive for years ahead. We don't want to burden future lawmakers with the same ongoing shortfalls and structural deficit that we are grappling with here today. We've said we are willing, as the Governor is, to make reforms part of the fix as long as they are reforms that will have real savings and not hurt the citizens who can least afford it.

But what we have before us is not a serious effort to comprehensively solve our budget crisis. Unfortunately, it's a knee-jerk reaction to being told that we should do the job that we've been sent here to do. We can work out a real solution that includes reforms and revenues, and we can get it done this week. We are a full-time Legislature after all. But this my-way-or-the-highway legislating isn't the solution and it needs to stop.

Let's have a reality check here, colleagues. Universities are trying to figure out if or by how much they have to raise their tuition and fees, but we haven't given them any concrete numbers to base decisions on. Actually, we've delayed payments for the current year on to next year, making next year worse.

Local governments are wondering what services they'll have to cut—substance abuse programs, local police or fire—yet we are considering going on vacation for a couple of weeks leaving them all hanging. That's irresponsible, it's unnecessary, and we can and should do better. Let's get back into the room. Let's get our leadership back into the room together, check our egos at the door, and get this deal done.

Senator Switalski's statement is as follows:

You know, there is some merit in the proposals in front of us here today, and I could see myself supporting these reforms or something similar to them. But it requires a linkage to revenue, and I suspect there isn't sufficient trust on this side yet to cast that vote. Part of that lack of trust, I think, is that the bills weren't on the agenda today, and maybe with some additional discussion, perhaps a bipartisan agreement would have been possible.

But I listened closely to the sponsor, and I hope his remarks are correct. I hope that this is the first stage in a process and that there will be further refining and improvement and that we will end up with something that can be bipartisan; that will have some sort of linkage to revenue and that both sides of the aisle can enthusiastically support.

Senator Bishop's statement is as follows:

I've had a chance to listen to a lot of my colleagues for the past several months now as we've discussed the many reforms on the agenda. I've had the chance to move around the state, talk to constituents around the state, and businesses around the state. I've talked to business leaders. I've talked to taxpayers. They all expect that we do these things. They all expect that we step up and do the right thing and pass some meaningful reforms.

I guess I don't understand the idea that this is in some way partisan. You all knew that from day one that this was an issue that would be considered by the Legislature. It's one that we've considered as part of our marquee, as part of this whole discussion about the budget dilemma. I think we all acknowledged at some point in time that we have to get serious about this shortfall, about our present budget situation. We've got to talk about real cuts and real reforms. This is the first step in the right direction.

This matter wasn't discharged as was suggested earlier. In fact, it went through the full committee process. It's gathered steam along the way. We've had all kinds of supporters along the way, both the retirement and the health care issues. Our members have taken a lot of time to address it to speak with interested parties. This is not an easy vote for some, but we did it because we knew it was the right thing to do.

I take exception with the fact that this is suggested as some kind of my-way-or-the-highway mentality when, in fact, we've really tried to work with all of you on this subject. If we really want to check our egos at the door, you may want to send a message to your Governor about sending letters to the press about policy and procedure because that is the ultimate in politics, and that will prevent anything from getting done.

I'm sorry, Mr. President, I will get back on track.

This is a matter of great importance to all of us. None of us want to play politics with this. We were put in this position. Clearly, this is not something that we wanted to be on the agenda today, but it was forced upon us given the fact that we were a part of the letter recipients in this process. We have to address it. The Governor says we have an

agreement. If we don't have an agreement, then someone ought to get back to the table with the Governor, your leader, and ask her what the agreement is because I'm not really sure where you stand anymore. Some of you are complaining that you weren't part of the agreement or you weren't part of the discussion. Well, go into their office and be a part of the agreement and engage yourself.

This discussion has been going on for a long time now, and if you didn't know that, you got to pull your head out of the sand and figure out that this state is in great jeopardy right now. So much is happening around this country—we are in a one-state recession—so much is going on around us and we're not picking up on it. If we don't make changes right now, real changes, we will be left behind for good. It is our responsibility to step up to the plate and make some tough choices. Forget about the politics. Make the right choices because the decisions you make today will affect your state far into the future.

All of this political mumbo jumbo that you want to add to the record and have printed in the Journal is not going to make one bit of difference. Make the right decision and do it for the right reason. Quit the political garbage that goes on in this place, and let's move forward together instead of leaving this state behind.

By unanimous consent the Senate returned to the order of  
**General Orders**

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

The motion prevailed, and the President pro tempore, Senator Richardville, designated Senator Richardville as Chairperson.

#### **Recess**

Senator Cropsey moved that the Committee of the Whole recess subject to the call of the Chairperson. The motion prevailed, the time being 12:50 p.m.

1:17 p.m.

The Committee of the Whole was called to order by the Chairperson, Senator Richardville.

#### **Recess**

Senator Cropsey moved that the Committee of the Whole recess subject to the call of the Chairperson. The motion prevailed, the time being 1:30 p.m.

1:54 p.m.

The Committee of the Whole was called to order by the Chairperson, Senator Richardville.

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

#### **Senate Bill No. 419, entitled**

A bill to amend 1976 PA 451, entitled "The revised school code," by amending section 632 (MCL 380.632) and by adding sections 506a, 527a, 633, 1255, and 1311m.

#### **Senate Bill No. 420, entitled**

A bill to amend 1951 PA 35, entitled "An act to authorize intergovernmental contracts between municipal corporations; to authorize any municipal corporation to contract with any person or any municipal corporation to furnish any lawful municipal service to property outside the corporate limits of the first municipal corporation for a consideration; to prescribe certain penalties; to authorize contracts between municipal corporations and with certain nonprofit public transportation corporations to form group self-insurance pools; and to prescribe conditions for the performance of those contracts," by amending section 5 (MCL 124.5), as amended by 1999 PA 83.

**Senate Bill No. 421, entitled**

A bill to amend 1966 PA 331, entitled “Community college act of 1966,” by amending sections 123 and 124 (MCL 389.123 and 389.124), section 123 as amended by 1980 PA 5 and section 124 as amended by 1997 PA 135.

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

Senator Cropsey moved that the question be divided and that a separate vote be taken on concurring in the recommendation of the Committee of the Whole relative to the following bill:

**Senate Bill No. 418**

On which motion Senator Cropsey requested the yeas and nays.

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

The motion to divide the question prevailed, a majority of the members voting therefor, as follows:

**Roll Call No. 198**

**Yeas—21**

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

**Nays—17**

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

**Excused—0**

**Not Voting—0**

In The Chair: President

The Committee of the Whole reported back to the Senate, favorably and with amendment, the following bill:

**Senate Bill No. 365, entitled**

A bill to amend 1956 PA 218, entitled “The insurance code of 1956,” by amending section 451 (MCL 500.451), as amended by 1994 PA 228.

The following is the amendment recommended by the Committee of the Whole:

1. Amend page 2, line 4, after “**MEANS**” by striking out the balance of the bill and inserting “**A MICHIGAN BASED AIRLINE THAT IS A SCHEDULED OR NONSCHEDULED OPERATOR AND THAT OPERATES ONLY AIRCRAFT WITH A PASSENGER SEAT CONFIGURATION OF MORE THAN 30 SEATS OR WITH A PAYLOAD CAPACITY OF MORE THAN 7,500 POUNDS.**”.

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:

**Senate Bill No. 418, entitled**

A bill to provide for a catastrophic stop loss fund and catastrophic stop loss benefit plans; to create a board of directors of the catastrophic stop loss fund; to prescribe the conditions upon which public employers may provide

certain benefits; to require the compilation and release of certain information and data; to provide certain powers and duties to certain state officials, departments, agencies, and authorities; and to provide for appropriations.

Substitute (S-1).

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

1. Amend page 4, line 4, after “and” by inserting a comma and “except as provided in this act,”.
2. Amend page 4, line 8, by striking out all of subdivision (c) and relettering the remaining subdivision.
3. Amend page 4, line 20, after the first “employers” by striking out the balance of the line through “subdivision” on line 21.
4. Amend page 4, line 23, after “A” by inserting “public employer or”.
5. Amend page 4, line 27, after “A” by inserting “public employer or”.
6. Amend page 5, line 5, after “A” by inserting “public employer or”.
7. Amend page 5, line 11, after “A” by inserting “public employer or”.
8. Amend page 5, line 26, after “plan” by inserting “except with regard to the optical or dental coverage.”.
9. Amend page 6, line 4, by striking out all of sections 7, 9, 11, and 13 and inserting:
 

“Sec. 7. (1) A person shall not establish or maintain a public employer pooled plan in this state unless the pooled plan obtains and maintains a certificate of registration pursuant to this act.

(2) A person wishing to establish a pooled plan shall apply for a certificate of registration on a form prescribed by the commissioner. The application shall be completed and submitted to the commissioner along with all of the following:

  - (a) Copies of all articles, bylaws, agreements, or other documents or instruments describing the rights and obligations of employers, employees, and beneficiaries with respect to the pooled plan and the expected number of public employees to be covered for medical, optical, or dental benefits under the pooled plan.
  - (b) Current financial statements of the pooled plan or, for a newly established pooled plan, 3 years of financial projections.
  - (c) A statement showing in full detail the plan upon which the pooled plan proposes to transact business and a copy of all contracts or other instruments that it proposes to make with or sell to its members, together with a copy of its plan description.

(3) The commissioner shall examine the application and documents submitted by the applicant for completeness and shall notify the applicant not later than 30 days after receipt of the application of any additional information needed. The commissioner may conduct any investigation that the commissioner considers necessary and examine under oath any person interested in or connected with the pooled plan.

(4) The commissioner shall issue or deny a certificate of registration within 90 days of receipt of the applicant’s substantially completed application. The commissioner shall not issue a certificate of registration to the pooled plan unless the commissioner is satisfied that the pooled plan is in a stable and unimpaired financial condition, that the pooled plan is qualified to maintain a medical benefit plan in compliance with this act, and that the pooled plan meets the requirements in section 9(1)(a), (e), (f), (g), and (h). The commissioner shall deny a certificate of registration to an applicant who fails to meet the requirements of this act. Notice of denial shall be in writing and shall set forth the basis for the denial. If the applicant submits a written request within 60 days after mailing of the notice of denial, the commissioner shall promptly conduct a hearing pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, in which the applicant shall be given an opportunity to show compliance with the requirements of this act.

(5) The pooled plan, upon receipt of its initial certificate of registration, which shall be a temporary certificate, shall proceed to the completion of organization of the proposed pooled plan.

(6) A pooled plan shall open its books to the commissioner, and a final certificate of registration shall not be issued by the commissioner to a pooled plan until the pooled plan has collected cash reserves as provided in section 9.

Sec. 9. (1) In addition to other requirements as provided in this act, a public employer pooled plan established on or after the effective date of this act shall do all of the following:

  - (a) Establish and maintain minimum cash reserves of not less than 25% of the aggregate contributions in the current fiscal year or in the case of new applicants, 25% of the aggregate contributions projected to be collected during its first 12 months of operation, as applicable; or not less than 35% of the claims paid in the preceding fiscal year, whichever is greater. Reserves established pursuant to this section shall be maintained in a separate, identifiable account and shall not be commingled with other funds of the pooled plan. The pooled plan shall invest the required reserve in the types of investments allowed under section 910, 912, or 914 of the insurance code of 1956, 1956 PA 218, MCL 500.910, 500.912, and 500.914. The pooled plan may satisfy up to 100% of the reserve requirement in the first year of operation, up to 75% of the reserve requirement in the second year of operation, and up to 50% of the reserve requirement in the third and subsequent years of operation, through an irrevocable and unconditional letter of credit. As used in this subdivision, “letter of credit” means a letter of credit that meets all of the following requirements:
    - (i) Is issued by a federally insured financial institution.
    - (ii) Is issued upon such terms and in a form as approved by the commissioner.
    - (iii) Is subject to draw by the commissioner, upon giving 5 business days’ written notice to the pooled plan, or by the pooled plan for the member’s benefit if the pooled plan is unable to pay claims as they come due.

(b) Within 90 days after the end of each fiscal year, file with the commissioner financial statements audited by a certified public accountant. An actuarial opinion regarding reserves for known claims and associated expenses and incurred but not reported claims and associated expenses, in accordance with subdivision (d), shall be included in the audited financial statement. The opinion shall be rendered by an actuary approved by the commissioner or who has 5 or more years of experience in this field.

(c) Within 60 days after the end of each fiscal quarter, file with the commissioner unaudited financial statements, affirmed by an appropriate officer or agent of the pooled plan.

(d) Within 60 days after the end of each fiscal quarter, file with the commissioner a report certifying that the pooled plan maintains reserves that are sufficient to meet its contractual obligations, and that it maintains coverage for excess loss as required in this act.

(e) File with the commissioner a schedule of premium contributions, rates, and renewal projections.

(f) Possess a written commitment, binder, or policy for excess loss insurance issued by an insurer authorized to do business in this state in an amount approved by the commissioner. The binder or policy shall provide not less than 30 days' notice of cancellation to the commissioner.

(g) Establish a procedure, to the satisfaction of the commissioner, for handling claims for benefits in the event of dissolution of the pooled plan.

(h) Provide for administration of the plan using personnel of the pooled plan, provided that the pooled plan has within its own organization adequate facilities and competent personnel to service the medical benefit plan, or by awarding a competitively bid contract, to an authorized third party administrator, an insurer, a nonprofit health care corporation, or other entity authorized to provide services in connection with a noninsured medical benefit plan.

(2) If the commissioner finds that a pooled plan's reserves are not sufficient to meet the requirements of subsection (1)(a), the commissioner shall order the pooled plan to immediately collect from any public employer that is or has been a member of the pooled plan appropriately proportionate contributions sufficient to restore reserves to the required level. The commissioner may take such action as he or she considers necessary, including, but not limited to, ordering the suspension or dissolution of a pooled plan, if the pooled plan is consistently failing to maintain reserves as required in this section, is using methods and practices that render further transaction of business hazardous or injurious to its members, employees, beneficiaries, or to the public, has failed, after written request by the commissioner, to remove or discharge an officer, director, trustee, or employee who has been convicted of any crime involving fraud, dishonesty, or moral turpitude, has failed or refused to furnish any report or statement required under this act, or if the commissioner, upon investigation, determines that it is conducting business fraudulently or is not meeting its contractual obligations in good faith. Any proceedings by the commissioner under this subsection shall be governed by the requirements and procedures of sections 7074 to 7078 of the insurance code of 1956, 1956 PA 218, MCL 500.7074 and 500.7078.

Sec. 11. The commissioner, or any person appointed by the commissioner, may examine the affairs of any pooled plan, and for such purposes shall have free access to all the books, records, and documents that relate to the business of the plan, and may examine under oath its trustees, officers, agents, and employees in relation to the affairs, transactions, and condition of the pooled plan. Each authorized pooled plan shall pay an assessment annually to the commissioner to be deposited into the insurance bureau fund created in section 225 of the insurance code of 1956, 1956 PA 218, MCL 500.225, in an amount equal to 1/4 of 1% of the annual self-funded contributions made to the pooled plan for that year. The assessments paid under this section shall be appropriated to the office of financial and insurance services to cover the additional costs incurred by the office of financial and insurance services in the examination and regulation of pooled plans under this act.

Sec. 13. (1) The articles, bylaws, and trust agreement of the pooled plan and all amendments thereto shall be filed with and presumed approved by the commissioner before becoming operative. The trust agreement shall be filed on a form prescribed by the commissioner.

(2) Each member employer of a pooled plan shall be given notice of every meeting of the members and shall be entitled to an equal vote, either in person or by proxy in writing by such member.

(3) The powers of a pooled plan, except as otherwise provided, shall be exercised by the board of trustees chosen to carry out the purposes of the trust agreement. Not less than 50% of the trustees shall be persons who are covered under the pooled plan or the collective bargaining representatives of those persons. No trustee shall be an owner, officer, or employee of a third party administrator providing services to the pooled plan."

10. Amend page 12, line 3, after "with" by striking out "aggregated".

11. Amend page 12, line 3, after "information" by inserting "aggregated for all the public employees together of those public employers".

12. Amend page 12, line 8, after "plan" by striking out the balance of the line through "follows" on line 9 and inserting "for the most recent rate renewal period and under the same basis by which the public employer has been pooled or rated, including:".

13. Amend page 13, line 6, after "cover" by striking out the balance of the subsection and inserting "the most recent rate renewal period."

14. Amend page 13, line 12, by striking out all of subsection (4) and renumbering the remaining subsections.

15. Amend page 14, line 10, by striking out all of section 17.

The question being on concurring in the recommendation of the Committee of the Whole, Senator Cropsy requested the yeas and nays.

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

The recommendation of the Committee of the Whole was not concurred in, a majority of the members not voting therefor, as follows:

**Roll Call No. 199**

**Yeas—18**

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

**Nays—19**

Allen	Cropsy	Jansen	Richardville
Birkholz	Garcia	Kuipers	Sanborn
Bishop	George	McManus	Stamas
Brown	Gilbert	Pappageorge	Van Woerkom
Cassis	Hardiman	Patterson	

**Excused—0**

**Not Voting—1**

Schauer

In The Chair: President

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

By unanimous consent the Senate returned to the order of

**Resolutions**

Senator Cropsy moved that rule 3.204 be suspended to permit immediate consideration of the following resolution:

**Senate Resolution No. 78**

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

Senators Jelinek and Richardville offered the following resolution:

**Senate Resolution No. 78.**

A resolution to urge the Michigan Strategic Fund to adopt a resolution to approve an application for United States Department of Transportation private activity bonds for the construction of any new privately-owned international crossing of the Detroit River.

Whereas, The international border crossing at Detroit is a critical juncture in the economic partnership that exists between the United States and Canada. This relationship, the largest bilateral trading partnership in the world, is strongly

dependent upon the efficiency and safety of the border crossing infrastructure. With projections of future growth in the volume of trade between our nations that will exceed our current infrastructure’s capacity, steps are being taken to add crossings at the Detroit River; and

Whereas, Private activity bonds, which are being utilized in a number of private/public initiatives to improve transportation infrastructure across the country, would be a most appropriate component of financing any new privately-owned international border crossing at Detroit. A project to build a new international crossing at the Detroit River clearly would meet the criteria for private activity bonds set forth in federal law; and

Whereas, The Michigan Strategic Fund was created by 1984 PA 270 with broad authority to promote economic development and to create jobs. Its 11-member board, appointed by the Governor, has the opportunity to take a major step in promoting the economic well-being of the Detroit metropolitan region, the state, and our country by endorsing the utilization of United States Department of Transportation private activity bonds for any new privately-owned crossing of the Detroit River; now, therefore, be it

Resolved by the Senate, That we urge the Michigan Strategic Fund to adopt a resolution to approve an application for United States Department of Transportation private activity bonds for the construction of any new privately-owned international crossing of the Detroit River; and be it further

Resolved, That copies of this resolution be transmitted to the Michigan Strategic Fund Board and the Office of the Governor.

The question being on the adoption of the resolution,

Senator Jelinek offered the following substitute:

A resolution to urge the Michigan Strategic Fund to adopt a resolution to approve the Ambassador Bridge’s application for United States Department of Transportation private activity bonds for the construction of a new privately-owned international crossing of the Detroit River.

Whereas, The international border crossing at Detroit is a critical juncture in the economic partnership that exists between the United States and Canada. This relationship, the largest bilateral trading partnership in the world, is strongly dependent upon the efficiency and safety of the border crossing infrastructure. With projections of future growth in the volume of trade between our nations that will exceed our current infrastructure’s capacity, steps are being taken to add crossings at the Detroit River; and

Whereas, Private activity bonds, which are being utilized in a number of private/public initiatives to improve transportation infrastructure across the country, would be a most appropriate component of financing any new privately-owned international border crossing at Detroit. A project to build a new international crossing at the Detroit River clearly would meet the criteria for private activity bonds set forth in federal law; and

Whereas, The Michigan Strategic Fund was created by 1984 PA 270 with broad authority to promote economic development and to create jobs. Its 11-member board, appointed by the Governor, has the opportunity to take a major step in promoting the economic well-being of the Detroit metropolitan region, the state, and our country by endorsing the utilization of United States Department of Transportation private activity bonds for any new privately-owned crossing of the Detroit River; now, therefore, be it

Resolved by the Senate, That we urge the Michigan Strategic Fund to adopt a resolution to approve the Ambassador Bridge’s application for United States Department of Transportation private activity bonds for the construction of a new privately-owned international crossing of the Detroit River; and be it further

Resolved, That copies of this resolution be transmitted to the Michigan Strategic Fund Board and the Office of the Governor.

The substitute was not adopted.

Senator Cropsey requested the yeas and nays.

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

The substitute was adopted, a majority of the members voting therefor, as follows:

**Roll Call No. 200**

**Yeas—22**

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

**Nays—16**

Anderson	Cherry	Jacobs	Schauer
Barcia	Clark-Coleman	Olshove	Scott
Basham	Clarke	Patterson	Switalski
Brater	Gleason	Prusi	Whitmer

**Excused—0****Not Voting—0**

In The Chair: President

The question being on the adoption of the resolution, as substituted,  
The resolution was not adopted.

Senator Thomas requested the yeas and nays.

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

The resolution was adopted, a majority of the members voting therefor, as follows:

**Roll Call No. 201****Yeas—21**

Allen	George	Jelinek	Richardville
Birkholz	Gilbert	Kahn	Sanborn
Bishop	Hardiman	Kuipers	Stamas
Brown	Hunter	McManus	Thomas
Cassis	Jansen	Pappageorge	Van Woerkom
Cropsey			

**Nays—17**

Anderson	Clark-Coleman	Jacobs	Schauer
Barcia	Clarke	Olshove	Scott
Basham	Garcia	Patterson	Switalski
Brater	Gleason	Prusi	Whitmer
Cherry			

**Excused—0****Not Voting—0**

In The Chair: President

Senators Basham, Thomas and Clarke asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.



Senator Basham's statement is as follows:

I am thoroughly dismayed that my colleague across the aisle would offer this resolution. For over four years, MDOT, along with the Ontario government, has been looking at another border crossing. They've been following a process called the NREPA process, looking up and down the Detroit River trying to find out the best location for another international border crossing. In fact, they have ruled out a number of different locations. The locations have gone from 15 possible locations, including double-expanding the Ambassador Bridge to, in fact, where they're at right now looking at a crossing that would actually be in the Delray community on the American side and south of the Sandwich community on the Canadian side.

There are a number of reasons why this is a flawed resolution. If you cross the Mackinac Bridge, you pay \$2.50 if you are in a car. If you cross the Blue Water Bridge, you pay a \$1.75. If you cross the Ambassador Bridge, an 80-year-old bridge, where 25 percent of our nation's commerce goes across annually, you pay \$3.25 American and \$4.00 Canadian. If you cross the Blue Water Bridge with a truck loaded and take the same truck and cross the Ambassador Bridge, you pay \$11.00 more to cross the Ambassador Bridge.

Support of the DRIC process, which is competing with double-expanding the Ambassador Bridge, again it's about homeland security, it's about what's in the public interest, and it's about commerce. The chambers of commerce, the Detroit Chamber of Commerce and the Ontario Chamber of Commerce, both support the DRIC process and oppose the double-expanding of the Ambassador Bridge. Also the Auto Alliance supports the DRIC process and opposes the double-expanding of the Ambassador Bridge.

The Ambassador Bridge also has some obstacles in Canada. Canada has passed C-3 legislation which says there will be no privately-owned international border crossings, and rightfully so. But, yet, it seems like members of the Legislature in both the House and the Senate keep throwing up impediments to stop the DRIC process from going forward. This is another one of those impediments. It's flawed. It's not good for commerce. It's not good for the state of Michigan. It's not good for the communities of both Delray or Windsor. Mayor Eddie Francis in the city of Windsor opposes double-expanding the Ambassador Bridge and supports the DRIC process. All of the residents, again, up and down the river support the DRIC process.

This here puts Manny Maroun and the folks of the Ambassador Bridge in front of the line to get funding for another international border crossing. The people, and basically, the cost of the DRIC process and the crossing of the Ambassador Bridge are basically identical. Ultimately, this supposedly privately-funded bridge, again, is looking for public funding. They will bond the same as the state of Michigan will bond if the DRIC process goes forward. At the end of the day, those people crossing either bridge will pay for it, and obviously, I've quoted you stats on why it's in the public's best interest to have the DRIC process proceed and us not support this resolution which I think is flawed.

Senator Thomas' statement is as follows:

I rise in support of the Jelinek amendment not because I don't support the DRIC process; I support the DRIC process. I support a publicly-owned bridge. I support a privately-owned bridge.

What I support is a border crossing happening in the city of Detroit to Canada and by any means necessary. I want to speed this process along so that we can fully take advantage of the millions, the hundreds of millions of dollars of trade that can take place every day with an additional border crossing.

I don't want that border crossing in other communities. I don't want that border crossing in other states. I want it in the city of Detroit. And while I don't feel that this is necessarily endorsing one group over the other, I think that this does continue to move that process along. I hope that this process can continue along and that we can move forward to get this critical border crossing going regardless if it's privately-owned or publicly-owned.

Senator Clarke's statement is as follows:

I actually represent the district that includes the entire Detroit riverfront on which the current Ambassador Bridge is located and which the proposed border crossings will be located. The City Council in the city of Detroit has issued a resolution that they oppose this resolution or any effort for the Ambassador Bridge to be able to issue private activity bonds to build this border crossing.

The underlying issue with this is do you think an additional international border crossing that would handle over a billion dollars a day in trade will be vital to protecting a major international border in terms of homeland security? Whether that responsibility should be in the hands of a private individual or it should be in the hands of the state and federal governments of the United States, state of Michigan, and the Ontario government and the Canadian government?

I believe that the economic and homeland security issues are so great, so compelling, and since we've already had a process that the state of Michigan has undergone to examine what would be the better placement of a border crossing and because the city of Detroit's legislative body has spoken on this issue, I would urge all of you to vote this resolution down.

By unanimous consent the Senate returned to the order of  
**Messages from the House**

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

**Senate Bill No. 354**

**Senate Bill No. 134**

The motion prevailed.

**Senate Bill No. 94, entitled**

A bill to provide for the imposition, levy, computation, collection, assessment, reporting, payment, and enforcement of taxes on certain commercial, business, and financial activities; to prescribe the powers and duties of public officers and state departments; to provide for the inspection of certain taxpayer records; to provide for interest and penalties; to provide exemptions, credits, and refunds; to provide for the disposition of funds; to provide for the interrelation of this act with other acts; and to repeal acts and parts of acts.

The House of Representatives has nonconcurring in the Senate substitute (S-9) to the House substitute (H-3) and appointed Reps. Bieda, Dillon and Calley as conferees.

The message was referred to the Secretary for record.

By unanimous consent the Senate proceeded to the order of  
**Statements**

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

The motion prevailed.

Senator Jacobs' statement is as follows:

I was absent from the floor when the vote for Senate Bill No. 547 was taken. I was on the Capitol steps addressing a group of parents of special education kids. Had I been here, I would have voted "no."

Senator Basham's statement is as follows:

Earlier in session, we voted on a resolution that actually goes against homeland security, goes against what chambers of commerce want, goes against what the Auto Alliance want, which is still a major sector in Michigan's economy, and goes against what the public and local elected officials want.

I or members of my staff have been at every meeting of the DRIC process since it started. I don't know of any other member of this chamber who has attended those meetings. When MDOT has spent the energy that it spent to move the DRIC process forward, we've watched members of both the House and Senate, even the deputy mayor of the city of Detroit fly up to Lansing on Manny Maroun's plane, bringing his security with him, to check out our hearing room before he comes in with his entourage and starts to testify in support of the Ambassador Bridge and against the DRIC process to try to kill the DRIC process in a joint hearing of the House and Senate Transportation Committee. I asked him if he ever attended any of those meetings and he said, no, he had only been with the city a little over a year, got up and left, and flew back to Detroit. When former Speaker of the House Curtis Hertel actually tried to pass legislation to allow Manny Maroun to become a government entity any place in Wayne County, to not pay taxes, to not be FOIAable, not be responsible for any environmental cleanups, it's wrong. I don't care if you are a Democrat or a Republican; it's wrong. For this process to go forward because Manny Maroun may have helped you on a campaign or whatever reason, I won't make any suggestions, we can look up everybody's finances, but, quite frankly, this is disturbing to see billions of dollars in commerce in the hands of a private individual.

When DEQ or the Ontario government cannot even go on the Ambassador Bridge to inspect it because it's privately-owned, it's wrong. For him to charge \$11 more for a truck per crossing than a publicly-owned bridge, the Blue Water Bridge, it's wrong. It's wrong for us to pass a resolution like we did here today.

Thank goodness for the Canadians and their C-3 legislation who said there will be no privately-owned international border crossing. In case my colleagues here in this chamber don't know it, a bridge has two ends—one end in the Detroit area and one in the Ontario area.

So we can do all we want to do in this chamber. All you are doing is stifling the DRIC process to go forward and get a bridge with two ends. Certainly, what you did today was a step backwards.

Senator Scott's statement is as follows:

There is an ancient Libyan proverb that says, "Silence is the door of consent." That's the No. 1 reason I have appeared before you and presented my case every session day for the last three years. I fear that if I am silent, it will be interpreted as consent and that the history of inequality in insurance rates will continue unabated. I will not be silent, nor will I concede.

I am committed to securing fair and honest treatment of everyone seeking insurance at a fair and honest price. And I will persist in my efforts until I no longer receive any e-mails from decent, hardworking, good drivers who are paying thousands of dollars a month in insurance premiums just because of where they live.

The only way to silence me is to legislate for accessible, affordable, and fair insurance rates for every Michigan resident. When that day finally comes, my friends, that's the day I will be silent. In fact, I will just stand up here and smile. Please let that day come sooner rather than later.

By unanimous consent the Senate returned to the order of

### **Motions and Communications**

The following communications were received and read:  
Office of the Senate Majority Leader

June 26, 2007

Pursuant to Senate Rule 3.203, I am hereby re-referring SB 607 from the Senate Committee on Economic Development & Regulatory Reform to the Senate Committee on Commerce & Tourism.

If you have any questions regarding this matter, please do not hesitate to contact me.

June 26, 2007

Pursuant to Senate Rule 3.203, I am hereby re-referring SB 608 from the Senate Committee on Economic Development & Regulatory Reform to the Senate Committee on Commerce & Tourism.

If you have any questions regarding this matter, please do not hesitate to contact me.

Respectfully yours,  
Michael D. Bishop  
Senate Majority Leader

The communications were referred to the Secretary for record.

### **Committee Reports**

The Committee on Appropriations reported

#### **House Bill No. 4493, entitled**

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2007; and to provide for the expenditure of the appropriations.

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

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

Ron Jelinek  
Chairperson

To Report Out:

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

Nays: None

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

The Committee on Appropriations reported

#### **House Bill No. 4884, entitled**

A bill to amend 2000 PA 489, entitled "Michigan trust fund act," by amending section 7 (MCL 12.257), as added by 2005 PA 232.

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

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

Ron Jelinek  
Chairperson

To Report Out:

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

Nays: None

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

The Committee on Health Policy reported

**Senate Bill No. 282, entitled**

A bill to amend 1976 PA 451, entitled "The revised school code," by amending section 1502 (MCL 380.1502), as amended by 1993 PA 335.

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

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

Thomas M. George  
Chairperson

To Report Out:

Yeas: Senators George, Clarke, Gleason and Jacobs

Nays: None

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

#### COMMITTEE ATTENDANCE REPORT

The Committee on Health Policy submitted the following:

Meeting held on Wednesday, June 20, 2007, at 3:03 p.m., Senate Hearing Room, Ground Floor, Boji Tower

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

The Committee on Education reported

**Senate Bill No. 549, entitled**

A bill to amend 1976 PA 451, entitled "The revised school code," (MCL 380.1 to 380.1852) by adding section 1284a.

With the recommendation that the substitute (S-2) be adopted and that the bill then pass.

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

Wayne Kuipers  
Chairperson

To Report Out:

Yeas: Senators Kuipers, Van Woerkom and Cassis

Nays: Senator Whitmer

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

The Committee on Education reported

**Senate Bill No. 570, entitled**

A bill to amend 2006 PA 479, entitled "Michigan promise grant act," by amending section 2 (MCL 390.1622).

With the recommendation that the bill pass.

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

Wayne Kuipers  
Chairperson

To Report Out:

Yeas: Senators Kuipers, Van Woerkom, Cassis, Whitmer and Gleason

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Education reported

**Senate Bill No. 600, entitled**

A bill to amend 2006 PA 479, entitled "Michigan promise grant act," by amending sections 4 and 8 (MCL 390.1624 and 390.1628).

With the recommendation that the bill pass.

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

Wayne Kuipers  
Chairperson

To Report Out:

Yeas: Senators Kuipers, Van Woerkom, Cassis, Whitmer and Gleason

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Education reported

**House Bill No. 4595, entitled**

A bill to amend 2006 PA 479, entitled "Michigan promise grant act," by amending sections 2, 4, and 8 (MCL 390.1622, 390.1624, and 390.1628).

With the recommendation that the bill pass.

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

Wayne Kuipers  
Chairperson

To Report Out:

Yeas: Senators Kuipers, Van Woerkom, Cassis, Whitmer and Gleason

Nays: None

The bill was referred to the Committee of the Whole.

#### COMMITTEE ATTENDANCE REPORT

The Committee on Education submitted the following:

Meeting held on Thursday, June 21, 2007, at 2:30 p.m., Room 210, Farnum Building

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

#### COMMITTEE ATTENDANCE REPORT

The Committee on Agriculture submitted the following:

Joint meeting held on Thursday, June 21, 2007, at 9:00 a.m., Senate Appropriations Room, 3rd Floor, Capitol Building

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

#### COMMITTEE ATTENDANCE REPORT

The Committee on Energy Policy and Public Utilities submitted the following:

Meeting held on Thursday, June 21, 2007, at 1:00 p.m., Room 210, Farnum Building

Present: Senators Patterson (C), Brown, Birkholz, Kuipers, Richardville, Olshove and Prusi

Excused: Senator Thomas

#### Scheduled Meetings

**Appropriations** - Wednesday, June 27, 2:00 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-6960)

**Subcommittee -**

**Higher Education** - Thursday, June 28, 9:00 a.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-2768)

**Campaign and Election Oversight** - Friday, June 29, 1:30 p.m., Detroit Marriott - Troy, 200 West Big Beaver Road, Troy (373-1725)

**Economic Development and Regulatory Reform** - Wednesday, June 27, 1:00 p.m., Rooms 402 and 403, Capitol Building (373-7670)

**Energy Policy and Public Utilities** - Thursday, June 28, 1:00 p.m., Room 210, Farnum Building (373-7350)

**Health Policy** - Wednesday, June 27, 3:00 p.m., Senate Hearing Room, Ground Floor, Boji Tower (373-0793)

**Natural Resources and Environmental Affairs** - Wednesday, June 27, 1:00 p.m., Room 110, Farnum Building (373-3447)

**Senior Citizens and Veterans Affairs** - Wednesday, June 27, 9:00 a.m., Room 100, Farnum Building (373-2413)

Senator Cropsy moved that the Senate adjourn.  
The motion prevailed, the time being 2:31 p.m.

The President, Lieutenant Governor Cherry, declared the Senate adjourned until Wednesday, June 27, 2007, at 10:00 a.m.

CAROL MOREY VIVENTI  
Secretary of the Senate