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House Chamber, Lansing, Thursday, January 16, 2014.

6:00 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	Glaridon—present	LaVoy—present	Roberts—present
Banks—present	Goike—present	Leonard—present	Robinson—excused
Barnett—present	Graves—present	Lipton—present	Rogers—present
Bolger—present	Greimel—present	Lori—present	Rutledge—present
Brinks—present	Haines—present	Lund—present	Santana—present
Brown—present	Haugh—present	Lyons—present	Schmidt—present
Brunner—present	Haveman—present	MacGregor—present	Schor—present
Bumstead—present	Heise—present	MacMaster—present	Segal—present
Callton—present	Hobbs—present	McBroom—present	Shirkey—present
Cavanagh—present	Hooker—present	McCann—present	Singh—present
Clemente—present	Hovey-Wright—present	McCready—present	Slavens—present
Cochran—present	Howrylak—present	McMillin—present	Smiley—present
Cotter—present	Irwin—present	Muxlow—present	Somerville—present
Crawford—present	Jacobsen—present	Nathan—present	Stallworth—present
Daley—present	Jenkins—present	Nesbitt—present	Stamas—present
Darany—present	Johnson—present	O'Brien—present	Stanley—present
Denby—present	Kandrevas—excused	Oakes—present	Switalski—present
Dianda—present	Kelly—present	Olumba—excused	Talabi—present
Dillon—present	Kesto—present	Outman—present	Tlaib—present
Driskell—present	Kivela—present	Pagel—present	Townsend—present
Durhal—present	Knezek—present	Pettalia—present	VerHeulen—present
Faris—present	Kosowski—present	Phelps—present	Victory—present
Farrington—present	Kowall—present	Poleski—present	Walsh—present
Forlini—present	Kurtz—present	Potvin—present	Yanez—present
Foster—present	LaFontaine—present	Price—present	Yonker—present
Franz—present	Lamonte—present	Pscholka—present	Zemke—present
Geiss—present	Lane—present	Rendon—present	Zorn—present
Genetski—present	Lauwers—present		

e/d/s = entered during session

Pastor Paul L. Davis, Pastor of Calvary Baptist Church in Holland, offered the following invocation:

“Gracious Father, we come to You because You are the God of Providence. You have created and sustain all things and You reign over the entire universe. Your powerful Son is the radiance of Your glory and the exact imprint of Your nature (Hebrews 1:3). It is through Him that we have life and forgiveness and peace with You. All that is in the heavens and the Earth is Yours and in Your hand is the power to make great and to give strength (I Chr 29:10-13).

We thank You Lord, for You have abundantly blessed our beloved Michigan. Who are we that You would bless us so? There is nothing in us worthy of Your loving kindness. Yet You are so generous and we so often see joy on the faces of the people who live here because of Your blessings.

Lord would You bless this chamber and its members, our judges and our Governor? Would You give our leaders hearts that would keep Your commandments, minds filled with Your wisdom, and hands quick to serve Your people?

Would You bless our state? Would You help us to love and serve one another, to care for the poor and the fatherless, to protect those in danger, especially those children who cannot defend themselves?

Father would You bless this country, this one nation under God? Help us to walk justly, to love mercy and to walk humbly with You all of our days. Would You protect us from those who would destroy us from without and from our own sin, greed and selfishness?

We pray all of this in the name of Your Son, and our Savior, Jesus Christ. Amen.”

Rep. Stamas moved that Reps. Kandrevas, Olumba and Robinson be excused from today’s session.
The motion prevailed.

Motions and Resolutions

Rep. Stamas moved that a special committee of four members be appointed to notify the Senate that the House was ready to meet the Senate in Joint Convention.

The motion prevailed.

The Speaker appointed as such committee Reps. Lori, O’Brien, Phelps and Clemente.

The special committee to notify the Senate that the House was ready to meet in Joint Convention returned to the House along with the members of the Senate.

The committee, through its Chairperson, reported that it had performed the duty assigned it. The report was accepted and the committee discharged.

The Sergeant at Arms announced the members of the Senate, who were admitted and conducted to seats.

Joint Convention

6:30 o’clock p.m.

The Joint Convention was called to order by the President of the Joint Convention, Lieutenant Governor Calley.

Rev. Joel Ehlert, Retired from St. John’s Lutheran Church in Frankenmuth, offered the following invocation:

“Heavenly Father, we come before Your throne of grace on this occasion of Governor Rick Snyder’s ‘State of the State Message’ first of all to thank You for Your many blessings. Sometimes we are so concerned with solving problems and difficulties that we forget to count the many blessings You so graciously provide us.

This evening we also ask You for wisdom for all our elected officials and especially for our governor that together they may provide wise leadership for the citizens of this great state of Michigan. Often the decisions they must make are very difficult as they find themselves unable to please all parties concerned.

Help them to follow the guidelines of honesty and integrity in all that they do, mindful that sometimes the best decision is not the one that is financially beneficial but the one that is just and right. As the Psalm writer says, 'Blessed are they who maintain justice, who constantly do what is right.' (Psalm 106:3) And if mistakes are made, help us admit it and get us moving again in the right direction.

Also, let us remember there is an obligation for every citizen of this state and this country as Jesus Christ reminds us in the words of His servant St. Paul, 'I urge, then, first of all, that requests, prayers, intercession and thanksgiving be made for everyone - for kings and all those in authority, that we may live peaceful and quiet lives in all godliness and holiness. This is good, and pleases God our Savior.' (I Timothy 2:2-4)

Lord, help us put our trust in Your promise, 'Blessed is the nation whose God is the Lord.' (Psalm 33:12) God bless Michigan! God bless America! Amen."

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

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

The President of the Joint Convention announced that the two Houses had met in Joint Convention to receive the message of the Governor.

Representative Stamas moved that a special committee, consisting of two Representatives and two Senators, be appointed to invite and escort the State Officers to the Joint Convention.

The motion prevailed.

The President of the Joint Convention named as such committee Representatives Schmidt and Zemke, and Senators Green and Young.

The Sergeant at Arms announced the special committee appointed to invite the State Officers to be present at the Joint Convention.

The State Officers, escorted by the committee, were conducted to seats.

Senator Meekhof moved that a special committee, consisting of two Representatives and two Senators, be appointed to invite and escort the Judges of the Court of Appeals to the Joint Convention.

The motion prevailed.

The President of the Joint Convention named as such committee Representatives McCready and Tlaib, and Senators Jones and Hopgood.

The Sergeant at Arms announced the special committee appointed to invite the Judges of the Court of Appeals to be present at the Joint Convention.

The Judges of the Court of Appeals, escorted by the committee, were conducted to seats.

Representative Stamas moved that a special committee, consisting of two Representatives and two Senators, be appointed to invite and escort the Justices of the Supreme Court to the Joint Convention.

The motion prevailed.

The President of the Joint Convention named as such committee Representatives Lund and Cavanagh, and Senators Emmons and Bieda.

The Sergeant at Arms announced the special committee appointed to invite the Justices of the Supreme Court to be present at the Joint Convention.

The Justices of the Supreme Court, escorted by the committee, were conducted to seats.

Senator Meekhof moved that a special committee, consisting of four Representatives and four Senators, be appointed to invite and escort the Governor to the Joint Convention.

The motion prevailed.

The President of the Joint Convention named as such committee Representatives Walsh, Jenkins, Santana and Dianda, and Senators Schuitmaker, Caswell, Smith and Ananich.

The Sergeant at Arms announced the special committee to wait on the Governor.

The Governor, escorted by the committee, was conducted to the rostrum.

The President of the Joint Convention then introduced Governor Snyder who gave his message to the Joint Convention as follows:

“Thank you. Thank you very much. Thank you. Please be seated, thank you. Thank you and good evening. Thank you, Lieutenant Governor, for that introduction. I’d like to start by recognizing Speaker Bolger, Senate Majority Leader Richardville, Senate Minority Leader Gretchen Whitmer. Now, I followed a different protocol than normally accepted. The reason for doing this is we’ve got three fine public servants that are completing their term of office, with term limits, and I’ve asked for some recognition for these three fine public servants.

It’s been an honor to serve with them, and I look forward to a strong year coming up.

Now I’d like to recognize Lieutenant Governor Brian Calley, my partner in the executive branch, who’s done an outstanding job.

Thank you, Brian.

I’d also like to recognize House Minority Leader Greimel, and I’m looking forward to many years of working with him, hopefully, in terms of a productive relationship.

And I appreciate the recognition from everyone. I would like to list a number of the parties I also want to recognize that are also here, and I would like to begin with the members of the Supreme Court. The members of the Court of Appeals. Secretary of State Ruth Johnson. Our Attorney General, Bill Schuette. The members of my cabinet. The State Board of Education. The ladies and gentlemen of the legislature. And my fellow public servants.

Also, I’d like to give special recognition to several service people that are with us tonight, and I’d ask that those service people rise as I say their names. Brigadier General Mike Stone. Lieutenant Colonel John Logie. State Command Master Sergeant Dan Lincoln. Let’s give a round of applause to our representatives, our fine men and women.

We owe a special thank you to every member of the service for what they are doing, what they’ve done in the past, and what they’re doing in the future. Tonight I’m proud to report in terms of the number of service people we have in the field. In 2013, at the end of the year we had 657 Michigan National Guard personnel in harm’s way. It’s quite by an amazing circumstance, I’m very proud to report, as of the moment I’m standing here right now, we have zero service people in harm’s way.

Unfortunately, that is not going to continue, as by an amazing circumstance that we are fortunate enough to get a large deployment back, and, in fact, they met with the group that is outbound. So we’ll continue to have people and soon will have 186 National Guard members in the field, and they will have our thoughts and prayers.

I’d also like to mention that in 2013 it was very fortunate, but we still lost a service member from Michigan. We lost Army Sergeant Mark Schoonhoven, and our thoughts and prayers are with his family.

We also lost a Michigan State trooper, Trooper Paul Butterfield, and our thoughts and prayers are with his family.

I’d also like to say thank you to the citizens of Michigan for being here tonight, and also I want to give a shout-out to my family. Family, thanks for putting up with me.

And, as you all know, I don’t know how to wear a tie, so Sue clearly picked this tie, so I hope you like it.

One other person that we’ve just recently lost I wanted to mention, and that was a Lieutenant Governor of our state, Connie Binsfeld. Connie Binsfeld was loved by many. I had a chance to meet Connie, but I never got the chance to really know her, but, from what I understand, she was a true role model for public service.

She was a champion of children’s issues, and she set records in terms of women’s roles in both the legislative branch and the executive branch of government. So I’d all ask that we give a moment of silence for Connie.

Thank you.

I didn’t know Connie well, but there is something I feel confident that I’m going to say next that Connie would be a supporter of. In recent days, in recent months in the State of Michigan, we’ve had people make comments that were derogatory, that were negative towards other people, and publicly tonight I’d like to make a call to all citizens of Michigan to ask us to have a greater degree of civility and respect towards others of different backgrounds and different views.

The future of Michigan is dependent on having people understand that differences are a positive power, that we can find common ground, and let’s work to bring Michiganders together, not divide us.

Thank you. Thank you very much.

What I’d like to do now is actually move to the main theme of tonight, the State of the State, and this is a different State of the State, from my perspective. This is the final year of my first term in office of doing an address. So tonight what I’d like to do is have us look back together at the last three years and look towards the future of Michigan.

To begin with, in terms of — let’s go back before my term began. If you go to the last decade in the State of Michigan, we were broken. What did we lead the country in? We led the country in joblessness, reduced income levels, and loss of population.

In November of 2010, the citizens of Michigan spoke, not just about my role, but many of us here tonight. They made the statement that Michigan was broken. Fixing Michigan was not good enough. It was time to re-invent Michigan. It was time for a Michigan that’s got its brightest days ahead of us.

That statement was made. We were hired to do a job. I'm proud to report tonight, we're getting that job done. We are re-inventing Michigan. Michigan is the comeback state. We've come farther and faster than most any other state in the economic recovery since the beginning of the Great Recession, and we should be proud of that. Thank you for your hard work.

In terms of looking at 2013 and prior years, one exercise I've done since my very first State of the State address was to do a Dashboard review. So I'm going to share a number of Dashboard-related facts with you that I think are important, because it really says how this comeback has transpired.

First of all, let's talk about jobs. In the last three years, we've added 221,000 private sector jobs. Not only that, we have led the nation, we're number one in adding manufacturing jobs. And for the first time since 2006, our labor force is actually growing in the State of Michigan. That's something to be proud of.

Thank you. Let's talk about personal income. How has per capita income done in the State of Michigan. For the first three-quarters of 2013, we were number one, tied with Wisconsin, for income growth in the Great Lakes states. We were number seven in the nation for growth and personal income. That's a whole lot better than being 50th, folks.

For many families, their greatest asset in addition to their family is their home. How have home sales done and prices done in the State of Michigan. In terms of home sales, they're back, up thirteen percent year over year. In terms of home prices, they're up eleven percent. We rank number five in the nation in improved home prices across the entire country. That's something to be proud of in terms of housing starts, in terms of our construction industry. Housing permits, building permits, are up 27 percent, the highest level since the mid-2000s. Again, positive progress.

Now, population growth. We were the only state in the nation to lose population in the last decade in that last national census. How have we done. In 2002 we added people. In 2003 we added people. Two consecutive years' growth. The last time that happened in the State of Michigan was 2003 and four.

One other benchmark I think is really interesting, about who's staying and who's leaving, United Van Lines has done a survey for many years. For sixteen years in a row, Michigan was classified in the high outbound category. We've just been reclassified in the balance category. People are staying again in Michigan, and we should be proud of that.

In terms of more and better jobs, let me get into specifics. Let me start with one of our critical industries, the automotive industry, and I encourage you to go to the Auto Show in Detroit, if you have the chance. It's their 25th anniversary. They have the world's best auto show.

If you stop and look at it, the automotive industry in Michigan, since 2009 automotive production in Michigan has doubled. We're at the highest production level since 2005.

Another industry that's critical to Michigan is our agriculture industry, and we're having great growth there. In 2010, it was a \$91 billion industry. In 2013, it's grown to a \$96 billion industry. It's on a path to being a hundred billion dollar industry in Michigan, and one of the key reasons in this last twelve-month period, agricultural exports from Michigan to other countries grew by sixteen percent. Ag is on a roll.

I appreciate it. We had some farmers get up and lead that round.

Now, let me talk about a couple programs within state government that are done by the Michigan Economic Development Corporation. The first one is called Pure Michigan Business Connect. And what is that program? It's basically a good neighbor policy, to say how do we ask Michigan companies to buy more from Michigan companies. The program's only two-and-a-half years old. To give you an idea of results, though, it's absolutely impressive.

We now have over 24,000 companies signed up for Pure Michigan Business Connect. In terms of incremental business, that is, new business to Michigan, because of this program, it now exceeds \$1.6 billion that accounts for, conservatively, at least eight thousand jobs.

And I want to thank companies that really helped kick it off: Consumers Energy and DTE Energy, our founding members, and we just had an announcement from the Auto Show, Ford announced \$10 million in new contracts to Michigan companies because of this program. That's success.

Now, I have a program I really want to spend a couple minutes on, because it's not just helping businesses succeed through the MEDC. It's about helping the structurally unemployed.

We have a lot of federal programs to help with unemployment in our state. To be blunt, most of those are flawed and they need to be reformed. So we put State resources behind this, working together. It's called Community Ventures, and Community Ventures is geared to give the structurally unemployed opportunities they didn't otherwise have.

Now, the program's succeeding. So far we've placed over 1400 people in the last year. The one-year retention rate is almost 70 percent, and we have 75 employers participating. One thing I will tell you that I'm really impressed with, the average wage for people in these positions is over \$11.50 an hour.

Now, I talk about a lot of numbers, but I also want to make sure everyone realizes, we're talking about real people and their lives here. And so as we go through this, I'm going to share a story, occasionally, and I'm going to share a story now about Community Ventures.

Now, this is a story that happened up in Flint. It's a story of two entrepreneurs that came together to say, 'Let's create a business.' And they went out and got a partnership going with Diplomat Pharmacy, a fabulous company in the health care industry, in the Flint area. And what is that business, to say they can sew designer scrubs. Diplomat actually changed

their dress code so more people could wear these scrubs, and they kicked off this business. They now have 26 people working there. They've helped seven other people find work. Their goal is to put a hundred people to work. And what I'd like to do now is have you meet the two wonderful entrepreneurs.

If my two wonderful entrepreneurs could stand up, and you'll have a chance to meet, Sister Judy and Sister Carol, from St. Luke's New Life Ministries, in Flint. Let's give them a round of applause.

Thank you, Sisters.

Let me talk about education now. And I'm going to start with something that I believe many of us are absolutely passionate about, and that's early childhood education. Last year when I was here, we had gone out to see how many preschool kids didn't have the opportunity to get a preschool education because of need. The number came out to be 29,000.

That wasn't right. We shouldn't have a wait for preschool. We couldn't solve the problem in one year, in order to be fiscally responsible, so what I said is, 'Let's do a \$65 million investment in this last year's budget.' And it got tremendous support, because people do believe in this cause. We created 18,000 openings this last year for those preschool kids. That's fabulous.

In fact, a couple days ago a report came out that talked about early preschool education in the entire United States. You know who was at the top? Both in terms of percentage investment and dollar investment, the State of Michigan made the largest investment in preschool education in 2013 of any state in the United States.

So let me share — again, this is a personal thing, this is not about numbers. So now from Harrison Park Elementary School, in Grand Rapids, I have a mother, Brittany Barrientes. I'd like Brittany to stand with her two fine young children, Brianna — Briasia, excuse me, and Brooklyn. Briasia's in the sixth grade. She's completed preschool and she's moved on. And Brooklyn's in preschool, and she got that opening because of this program.

So thank you so much, girls, and Brittany, for being with us tonight.

I'll let you two girls figure out which one of you are going to be standing here someday giving this speech.

The other thing, though, is to say we made half that commitment. So when you find my budget message coming to you this next month, you're going to find a recommendation for an additional \$65 million investment, and we're going to make it a no-wait state for early childhood education in the State of Michigan.

Our Great Start Readiness program has gotten such great recognition. We won our first race to the top award of over \$50 million from the federal government to actually supplement the dollars we're doing. So that shows you we're being recognized as among the best in the country besides the biggest. So we're going to keep that up.

Now, in terms of K-12 education, we need to invest in our students to achieve student growth. It's critically important, and this is a topic that has a lot of misinformation out there on it, so I'm here tonight to set the record straight.

I firmly believe in investing in K-12 education, and I'm proud to say, in the last three years we've increased educational spending at the state level for K-12 each and every year to the point where we've invested \$660 more per student than there was previously before I took office. That's a huge investment in K-12 education.

Now, you'll find people occasionally talking, well, it didn't show up in the per-dollar allowance. Let me clarify the record on that. Those dollars have been invested in K-12. About half of the dollars, over a billion dollars, has gone into the school employee pension plan. And why did it happen that way? Because I think it's critically important we stand up and we properly fund our pension plans to make sure those 440,000 school employees and retirees can count on a solid pension, and at the same time it allows school districts to put dollars in the classrooms instead of pension plans.

It's the right answer, and we need to keep it up.

Now, one area we worked on that we showed some great results was STEM education, and for most people, they may not be familiar with the term STEM, science, technology, engineering, and math. It's critically important to our future. We need to encourage more people, particularly women, to go into that field, and one of the greatest tools we found is a program called FIRST Robotics.

There was a study done that shows, in terms of kids going off to college, the average percentage of ones that pick engineering as a major is about six percent. For someone that goes into FIRST Robotics, that number jumps to over 40 percent.

In terms of FIRST Robotics teams, Michigan was among the leaders, but I thought it best that we should lead the nation in FIRST Robotics teams, so we put some resources towards it this last year. We've added over 80 teams. We now lead the nation in FIRST Robotics teams. We passed California, and they're going to have to look in their rear-view mirror. We're going to keep going and add more and more teams in this state.

And again, to put a personal touch on it, it's great, we have a team with us. It's the Jacktown Vectors team, and we've got a number of people. So as I call your name, would you please stand.

John Riedeman is the teacher and director. We have William Farrant, who was the founder of the program, and we have two students, Holly Schittenhelm and Duncan Farrant, from the 10th grade and 12th grade, respectively. So it's great to have a team here.

And one of the reasons I highlighted this team from Jackson is not only do they have this competition, but I want to compliment their school district and their school. They actually receive some high school credit for this absolutely fabulous work they used, and I hope that can happen for every team in the state.

So let's give a round of applause for the Jacktown Vectors team.

On the people front, on health care, two things I want to mention. First of all, the Blue Cross Blue Shield reform I did in partnership with strong support from you, our legislators, that was not only about the reform, but we were able to create a health endowment fund that's going to contribute over a billion and a half dollars over eighteen years to improving health care for kids, seniors, cost containment, and access to health care. That was great legislation.

Another item I want to mention in terms of an absolutely great achievement that was done with great bipartisan support is Healthy Michigan, which is about bringing coverage to 470,000 low-income but hard-working Michiganders that deserve health care coverage.

And I want to give a special shout-out to Representatives Kahn — or, excuse me, Senator Kahn, Representative Shirkey, Representative Lori, and actually the entire House and Senate delegations from the democratic caucuses. Thank you for your strong support in making that happen.

Now, let me talk about some of our citizens with special needs. One that strikes all our hearts are children, and unadopted children, in particular. One of our goals is to find that every unadopted child has a forever family. Now, how have we done. If you go back prior to 2013 and 2012, the average percentage of kids that were available versus who got adopted ranged between 56 and 70 percent. There were a lot of kids left looking.

I'm proud to announce that in 2013, we achieved 88 percent of the kids looking for a family, and I can tell you, there's a firm commitment from public-private partnerships to make that number go to a hundred, but we've done tremendous progress in helping those kids.

Veterans. We needed to do more. We were at the bottom, if you go back to 2010 in terms of how we serviced our veterans in many respects. So what have we done? We have established a new agency, the Veterans Affairs Agency. We've tried to work much more closely with veteran service organizations. We've achieved accreditation at the state level, so we can help process those benefit claims. We've done job fairs. We've made tremendous progress on this front. But one area I'm particularly proud of is what have we done to help homeless veterans.

It's a terrible tragedy when someone's homeless, particularly if they're a veteran.

So for Veteran's Day I had a fabulous opportunity. I was able to go to a place called Silver Star Apartments, in Battle Creek. It's actually adjacent to the Battle Creek Veteran's Hospital.

And what it is, is a fabulous place, and it's because of fabulous people working there. It has good State support, but it's really the people working there, and I want to recognize a couple people, and if you'd stand as I call your name.

The first one is David Phillips, who's the resident manager. He was there from day one. They actually just opened their second phase of that facility. Dave is with us.

And the second person I want to recognize is Michael Carter. And let me share, briefly, Michael's story. Michael was a veteran that went through tough times. He became homeless. He was homeless for a period of about three years. He was able to get in phase one of Silver Star Apartments. He was able to bring his life back together.

It's great to say that today Michael is the support services coordinator. He's actually working for Silver Star Apartments, helping people. And so when they opened phase two, when we went there for the opening, in a matter of 59 days they filled a hundred units with homeless veterans that will now have an opportunity to find success like Michael did.

So I want to give a shout-out to both David and Michael for your outstanding work and the people on your team. Thank you.

In the veterans area, I also want to give a shout-out to one of our senators, Senator Hildenbrand, for his fine work in terms of helping veteran's issues and being a leader on that topic. So thank you, Dave.

Public safety, a critical issue. Two topics under this one. The first one, the topic of blight. We were successful in obtaining a hundred million dollars from the federal government to really deal with some important blight issues in a number of communities in our state.

I also want to thank many legislators here for your great work, though, on doing legislation to help prevent blight and to deal with people that have taken advantage of other people through substandard housing.

In particular, I want to give a shout-out to Senator Virgil Smith for his outstanding work in this area. Thank you, Virgil.

We still have more work to be done, though. In particular, there's a Senate Bill 295 that I hope will get fast and good consideration to deal with stopping situations where someone's delinquent on their taxes, to stop them from going to auctions to buy even more properties.

Another topic, though, is the whole Secure Cities program that we launched back in 2011, and it was to focus on four cities. We've had four cities in Michigan that have been on the top ten list for most violent crime in the United States for multiple years. That's unacceptable. And I said that in 2011, and we talked about making a commitment to have that end at some point, to get them off that list.

And so there's been a focused, concerted effort, with the Michigan State Police, the Michigan Department of Corrections, many other State departments, but also great local partnerships in terms of sheriffs, jails, other people, prosecutors coming to the table, judges. It's been great teamwork.

So I'd like to now announce some preliminary results from 2013. These are preliminary violent crime numbers for the first ten months of 2013.

Pontiac, down six-and-a-half percent. Detroit, down seven percent. Saginaw, down sixteen percent. Flint, down thirty percent.

The colonel doesn't have to ask from the Michigan State Police, she knows the order she's getting, stay on the gas.

In the environmental area, I want to mention two things, in particular. We had the first meeting, this is hard to believe, the first meeting of the Council of Great Lakes Governors, which includes the premiers from Ontario and Quebec, that hadn't been held in eight years. That's an abomination that it had not met in eight years.

We held that conference on Mackinac Island this summer. It went tremendously well.

Everyone there commended to say, this is a good thing. We talked about environmental issues, critical issues to the Great Lakes, economic issues about how we could work together, and we all made a commitment that we're not going to let eight years pass again. So we're going to stay focused on those critical issues.

Another issue on the environmental front is we made a major reform in hunting and fishing. This is a big hunting and fishing state, folks. It's something we all enjoy. We had a situation where in Michigan we had come to the point of having 227 different licenses if you wanted to hunt or fish. That's nuts.

So we had a great reform. We got the number down to 42. So now, to all the hunters and fishermen out in Michigan, you can waste less time figuring out what license and get out there and catch something or shoot something and have a good time.

We had a department directors meeting this morning. I was going through the State of the State, and I got to one topic and one of the directors said, 'Yeah, it's this big,' and I said, 'God knows you're a fisherman, if I ever saw one.'

Good government. Regulatory reform. We've eliminated in a net number, not a gross number, over fifteen hundred unnecessary regulations in this state in great partnership.

We've set a goal of improving our licensing times in terms of going 50 percent faster. In fact, if you're in the health care field or if you're a motor carrier, results currently show you can get your license about 60 to 67 percent faster than you were in the past. That's the kind of service you deserve.

Now, I'm going to stop for a minute and tell one more story. And this is a story I could say about hopefully close to 40,000 people. So we had to find one situation to represent those 40,000 people, but I found a great one that is important. And so at this point I'd like to ask Deb Smith to stand up.

Now, Deb works for the Department of Human Services. Deb has been with the department eight years. She's in the child services area. She's been doing many things. One of her areas that she's worked on hard is instituting a Safe Sleep program in two counties, and this is something my wife, Sue's, passionate about, is safe sleep.

So Deb's been very successful, but it's not just about what she's doing every day in terms of doing great work. It's about going above and beyond to show how much State employees care about our citizens.

So you remember the storms we've had in the last two or three weeks. During one of those storms she got a call from the local health department about a new mother that had just had a baby and come home, and the new mother had no concept of what to do with her baby at home.

Now, this mother was not a client of Deb's. Technically, she had no responsibility. She went out on her own time. She went out during that ice storm, and she went and met with this mother. She took a Pack 'n Play system. She took the time to show her how to use the system. She gave her the instruction. She showed her how to be successful. And she may have saved that child's life and created a great environment. That's the kind of person that works for the State of Michigan.

Thank you, Deb.

Another good government thing that I want to thank the legislators for your leadership on, that was about returning hard-earned dollars to our taxpayers. One of the biggest purchases after a home that someone can make is a vehicle. So one of the reforms we were able to make this year, because we had a broken system in Michigan, we were one of the few states in the country that if you buy a new vehicle, you paid sales tax on the entire purchase price. Most places, you simply pay on the difference.

Now, we couldn't take care of all that tax liability yet, but we passed legislation to start returning the dollars on that difference back to the taxpayer.

So thank you for that great tax reform.

Two pieces of unfinished business. One is in the transportation area. We did not achieve comprehensive transportation reform. We do need to invest more in our roads, and I think we've seen that. We've entered pothole season now, folks.

I would say, though, that I want to compliment the legislators in partnership that we were able to put close to a quarter-billion dollars of general fund money toward transportation.

So we're going to work toward solving this problem, and let's keep relentless positive action up until we take care of making our roads as good as they should be for our citizens.

One of our bigger projects has been the new international trade crossing, and we successfully got the Presidential permit from the United States government earlier this year. The project's tremendously important to the United States of America, the government of Canada, all the Great Lakes states, and absolutely important to Michigan. It will be the busiest trade crossing in our country for commercial traffic when it's done. I'm convinced of that.

The only reason we've been able to do that is because of outstanding partnership, and it's something I've said before and I will continue to say. It's because of a very long and very close relationship with the government of Canada that we've been able to make this project move forward.

And I'm very honored tonight that we have another representative. We typically get Roy Norton, our great Consul General. We actually have Jeff Watson, a member of Parliament.

But I want to give special recognition that tonight, and I would ask the minister to stand, we have the Minister of Transport, Lisa Raitt, with us from the federal government of the government of Canada.

Lisa.

Minister Raitt, on behalf of the citizens of the State of Michigan, I want to tell you personally, thank you, and I hope you convey that to your administration and your government. Thank you so much.

Other things we need to do. Another item we need to work on is, again, this road funding issue. I want to give a shout-out to a number of people that have worked hard. So it's not like we don't have people making major efforts. I want to recognize Representative Lane, Representative Schmidt, and Senator Casperson for your fine work in the transportation area. Thank you.

One other topic we need to get finished, though, is metal recycling, and I ask that we work hard on getting the reforms done for metal recycling this session.

Now, let me turn to 2014 in terms of some major items there I'd like to share with you. More and better jobs. We have a number of great programs going on in entrepreneurship in small business. In terms of entrepreneurship, we launched a micro loan program with Huntington Bank that started with a five million dollar pilot. I'm convinced the pilot will be successful, and it will grow to a \$20 million program. That's fabulous in terms of micro loans and creating new businesses.

Another great program that got created was Goldman Sachs ten thousand small business program. Goldman Sachs made a commitment of \$20 million to our urban areas to really do education, investment, and networking to help entrepreneurs be successful.

There's a Smart Zone collaborative I want to recognize in the Upper Peninsula. This is about how well people can partner. We have an instance where we've had a Smart Zone with Michigan Tech for a number of years. They just held their tenth year anniversary. They work great with the Houghton-Hancock area, those communities. But now we have a situation where they're partnering with Northern Michigan University, in Marquette.

So we're bringing communities together, and bringing synergy and power.

So I want to compliment those particular communities and those universities in the UP for their outstanding work.

Another critical topic is how do we connect our great talent to careers in Michigan, and that's critically important. So what we did this last year is we had two summits. We did an economic development summit and an education summit, and in those summits we actually had some college students that were looking for work showing up at this conference.

I can tell you, it was fabulous. There were literally college students there that had graduated, that got a job offer that day, because people, companies could recognize what outstanding talent we have in Michigan.

We need to keep that up. It went so well. We've gone to prosperity regions in our state of ten regions. Six of those regions held mini summits to do the same thing.

We need to take situations in terms of particularly skilled trades, career tech education, and connect young people to careers, and we're going to redo that again this year and only make it bigger and better. So I'm very excited by that.

Another program of great things I had mentioned is something called MAT², Michigan Advanced Technician Training. It's a program at Henry Ford Community College and Oakland Community College that is about creating apprenticeships. Basically, people apply, they get in, over a three-year period they work for a company, they actually get their associate's degree paid for. They complete the program. If they're successful, and they will be successful, they make the work commence for a couple of years, and they've got a well-paying career.

The pilot's going on this year, but I'm very bullish, we're going to grow that program and we're going to see that in all parts of Michigan, I believe, over the next few years. So let's celebrate that kind of success.

A topic that doesn't get enough attention nationally in a positive sense is something I'm going to talk about now, because it was critical to build our country.

We have some icons in Michigan that if you say these words, most of us know them and we think of them as ours. If I say the words Dow, Meijer, and Masco, we think, those are Michigan, right? Every one of those three companies was created by an immigrant. We need to encourage immigration in our state. That's how we made our country great.

We need to focus on legal immigration and make sure people know Michigan is the most welcoming place, and I'm intent on moving forward with that. To take action on this front, I'm going to sign an executive order, creating the Michigan Office for New Americans to be a coordinating resource to say let's welcome these individuals to encourage entrepreneurship, to encourage those students that are getting those advanced degrees in engineering not to have to leave the country, but to stay and grow companies and employ Michiganders, to work on agricultural workers, to work on tourism workers, to work on a statewide EB-5 program, which is an entrepreneurship program, and to continue to say how can we be more innovative and creative, to say if someone has the opportunity to come to our country legally, let's hold our arms open and say, 'Come to Michigan, this is the place to be.'

Thank you.

I have three items I'd like to mention on education that I think our programs — that I hope, as legislators, you'll seriously consider and we can work together on.

The first one is educator effectiveness. A couple of years ago you actually mandated that we work on this topic, and I appreciated that. That was the right answer.

This last year we had the Council on Educator Effectiveness, a blue ribbon group of people, come out with a report. I think it's time that we take that report and make a review to say how can we implement recommendations from that report into action, because it's critically important.

Another topic is the whole concept of what happens to young people, particularly lower-income or in distressed or lower-performing schools, because of summer vacation. There's evidence out there to show that they can lose much of what they learn because they're not actively in learning mode. In fact, there's some studies that say you can lose a grade or two by ninth grade if you're not going on a year-round basis.

Again, I'm not suggesting this for every corner of Michigan, but I think it would be appropriate to look at a pilot for low-performing schools about can we support them to look at year-round school, to help give those kids every chance to be successful, and so I'll ask that we look at that.

Another topic on that same front is truancy reform. If we don't know what the truancy numbers are, how do you solve the problem, and we're not doing our data appropriately in the state. I appreciate it. The press actually helped with this one. There was an investigative report in West Michigan. There was an audit of 22 West Michigan school districts. Twenty-one undercounted truancy. That's not right, and we should do something about it. So there are a number of actions.

And as part of this, I'd like to recognize some Representatives and Senators that have already been active in looking at these issues. They are Senator Pavlov, Representative Lyons, Representative O'Brien, Representative Zemke, Representative Schor, and Representative Foster. Thank you for your hard work on these topics. Let's try to get something done in 2014.

On the people topic, I'm going to talk about seniors. Later this year I'm going to do a special message on seniors, but tonight I want to address two or three items, in particular.

First, this last year there were some outstanding senior abuse and protection bills passed. Thank you. But our work is not done. I think there's opportunity to do more legislation, particularly on financial matters related to seniors to, again, help prevent abuse in situations where people are being taken advantage of.

The second thing is, is one of the things we want to do is create independence for our seniors, allow them to stay at home.

Well, we're not helping with that situation because we have waiting lists, and on some of these waiting lists, seniors are waiting more than six months on these lists. And what are these lists for? Things like Meals On Wheels and other in-home services. We have over a thousand people on the waiting list for Meals On Wheels, over three thousand for other services.

So when I do my budget message, I'm going to ask for additional resources so we can make Michigan a no-wait state for in-home services for our seniors.

Mental health and disability. This next week — there's been a blue ribbon group of people that do outstanding work. They're going to come out with a report on mental health and disability. It's going to address subjects such as developmental disabilities, mental illness, substance abuse.

In the interim, though, I want to mention a couple of things. This is something we do need to invest in, because we are talking people again. I'm going to mention a program called Project Unify. It's through Special Olympics. It's a program to say let's get youth together, youth athletes, kids with and without special needs together, so they can learn from one another and they can grow together. Those are the kind of examples we need.

And so I'm very proud to have Lois Arnold here tonight, and, Lois, if you would stand, who's the CEO of Special Olympics in Michigan, let's give Lois a shout-out for their fine work.

Now, I know we're running a little bit late, but you've got a dad with a microphone, and so one thing I would mention to you on this particular topic is, I'm going to brag for a minute that I have a wonderful daughter named Kelsey. That in her school, she's a senior in high school, that she led a similar program. That she coordinated a program for her entire school that brought five-hundred-plus special needs kids into her school for a day of activities to match up with young people in her school.

So thank you, Kelsey, also. Stand up.

By the way, she didn't see that one coming.

Related to the mental health issue, though, but directly applicable, is the issue of school safety. We need to do more on school safety. And so tying into that, I am going to ask for extra work to integrate the work of the mental health group with our school activities. And one area we do need to work on are improved school drills and also looking at what we can do.

We launched a great program in partnership with Attorney General Schuette called OK-2-SAY, but there's more to be done, and let's work on this together.

On the environmental front, two items I want to mention, in particular. First of all, I mentioned the Council of Great Lakes Governors. We made tremendous progress talking about areas like invasives, but there's too much talk and not enough action on invasives, from the federal government, from other corners. It's time for us to back up our talk.

So when I do my budget message, you're going to find a request that we put dollars towards invasive protection programs in our state. Michigan has been a leader in terms of loving our environment, protecting our Great Lakes, and we need to continue that leadership. And we know it's important. This is both about aquatic and land-based threats.

If you look to the Great Lakes, it's the threat of the Asian carp. If you look to our inland lakes, it's the threat of the European milfoil. I could go on with more. On land, we have a new threat, the Asian longhorned beetle. You've probably never heard of it. It's already killed 80,000 trees in our country. It's already in southern Ohio, and its favorite? It loves maple trees and hardwoods. We've got a lot of maple trees in our state, folks. We shouldn't be sitting around waiting. Let's do something about it.

On the energy front, in December I launched a discussion that I hope will take place through the course of 2015 — 2014 going into 2015 about putting in place a comprehensive energy policy for the State of Michigan.

Now, good government, I have three items here that I would like to share.

First of all, I think it's about time that we let Washington know that we know how to do things right in Michigan. There are two or three topics we could say that about. We can say it about tax reform. We can say it about paying our long-term debt. We can say it about balanced budgets.

But I'm making a request here tonight, because it involves you, the legislators, both the House and the Senate, that I ask you to take up the issue of doing a resolution asking the United States government to include in the United States Constitution an amendment to say they have to balance their budget. Hey we balance our budget at home, we balance our budget at work, why can't the federal government balance theirs.

A tough topic, the stress entities in our state, both communities and school districts. We had some outstanding task force work done this last year, looking at how to do improvements, so we could help communities through better transparency and early warning systems so they could avoid situations involving emergency managers. I never want to see an emergency manager end up in a community. That was good work on a task force, but I would now like to ask the legislators to take that up in terms of doing hearings and looking at what legislation can be passed to help prevent those situations from happening. There's a good opportunity to work and to make that happen.

One other topic I would mention is the bankruptcy in Detroit. The bankruptcy in Detroit is an ongoing issue. I'm not going to dwell on that here tonight, other than to say let's get it resolved this year. But one other Detroit issue that I'm proud to say is I want to thank Mayor Bing for his service, but I also want to welcome and build a strong, lasting partnership with an outstanding individual who's become the new mayor of Detroit, and I'd like to now welcome Mayor Mike Duggan.

We also have a number of other officials from the metro Detroit region that I do want to recognize, one in particular is a legend, and he's a legend for good reason. He's probably the most fiscally-responsible public official in the United States in terms of track record. He actually won an award from *Governing* magazine for public official of the year.

I'm having trouble spotting him, but my understanding is Brooks Patterson is back there somewhere.

Brooks.

We also have the county executive from Wayne County, Bob Ficano, with us, and I want to thank Bob for his efforts to help on regionalism. On the RTA, the Regional Transit Authority, he was very helpful, and now he's helping lead the discussion on the Detroit water and sewer issues.

So, Bob, thank you for your hard work in putting things together.

And the last mention but not the least mention is a good friend of mine that is the chief executive from Macomb County. He's done outstanding work. And as we went through those snowstorms and such, he had the foresight to build an emergency operations center that really made a difference, and he's doing that in many other areas. So I'd like to recognize Chief Executive Mark Hackel.

And in the entire good government area, I want to recognize, again, a Senator and Representative that have been very helpful, particularly when you talk about a balanced budget but in so many areas of good government, and that would be Senator Mike Green and Representative Ray Franz.

Thank you for your hard work, and I know you're going to help lead that balanced budget amendment.

The last item, and I apologize, I appreciate your patience, is an important topic, though. We have a surplus this year. I bet you've heard that.

I always like to ask the question, why do we have a surplus? It's because our economy is succeeding. But what do you do with that.

Well, I don't believe in playing traditional politics. I'm not a career politician. When you look at these things — I'm a CPA by training — the right way to look at it, in my view, is we should act like a family, a big family of ten million people, and we should all be sitting around the kitchen table. And the first question we should be asking is to say, what's our mortgage payment, what are our long-term bills. That goes to the point of making sure we're paying our pension liabilities, all those long-term liabilities.

Where have we put off paying for things that we should have, and we've done that in the state in terms of underinvesting in a number of areas, including areas like early childhood. Let's make sure we're paying those things, shouldn't we?

Shouldn't we make sure we have some dollars in our savings account, a rainy day fund, in case we have unforeseen circumstances? We've done some pretty good deposits, but that balance is not what it should be.

So we have a number of things that we should be taking care of, because it's not about a government that simply says, 'Let's spend everything,' and it's not about a government that simply says, 'Let's do a tax cut for everything.' It's not about politics. It's about being a family and being smart.

So let's be smart about how we handle this situation. Let's talk about that list.

I believe, though, when I've looked at that list, there's going to be an opportunity for some tax relief, and when I talk about tax relief — the people that come to mind, in particular, are those hard-working Michiganders that get up every day, they pack their lunch to go to work, they work hard all day. They come home tired, and after they get home, they're worried about their bills. I don't think we can solve all their issues, but we can help.

So when we have this discussion, let's try to stay focused on making sure we're being fiscally responsible, not just for us, but for our children, but let's also work hard to say where it goes, and it should go to those hard-working folk.

Now, in closing, I've covered a lot, but if you go back to the last decade again, we had a lot of ups and downs, and they were ugly ups and downs. I talked about it. What were we up on? Unemployment. What were we down on? Personal income. What were we down on? Population. It was an ugly list.

So I did a new list. I did a list since 2010, 2011, of some ups and downs. Let me walk through some downs first, and then let's do some ups.

Downs: Violent crime, infant mortality, unadopted children, homelessness, regulations, the State's long-term liabilities.

Ups: Private jobs, labor force, per capita income, population, home sales, home prices, building permits, K-12 investment, access to preschool, third grade reading proficiency, veteran services, senior protection, rainy day fund, and the State credit rating. That's a pretty darn good list, folks.

So stepping back again, the last decade was a bad decade. Twenty-eleven, we started relentless, positive action to re-invent Michigan. We've become the comeback state, but our work is not done. Tonight was a night to go through a list of accomplishments, but it is not a night of complacency, nor contentment.

With the success we've had, it should breed success. It should just, as I told the colonel, it's about keeping your foot on the gas, because this is critically important.

We have an opportunity to build a great Michigan today and for the future. It's about creating a land of opportunity. We need to ensure, we need to strengthen the opportunity for every Michigander to say they want to be in this state. They want to raise their children in this state. They can have a great life in this state. We're on the path to do that. Let's not stop. Let's reinforce that effort.

So my call to each one of you that are here tonight in the public sector is let's stand up and let the citizens of Michigan know, we are not going to let them down, that they can count on us to deliver, to make Michigan the comeback state, not just for three years, but for the next few decades, to make us back on the top again.

Thank you so much."

The business of the Joint Convention having been completed, the Governor, the Justices of the Supreme Court, the Judges of the Court of Appeals and the State Officers withdrew.

Representative Stamas moved that the Joint Convention adjourn.

The motion prevailed, the time being 8:09 o'clock p.m.

The Lt. Governor and members of the Senate retired.

The Speaker announced that the House of Representatives and Senate had met in Joint Convention and had listened to the message of the Governor.

Reports of Standing Committees

COMMITTEE ATTENDANCE REPORT

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

Meeting held on: Wednesday, January 15, 2014

Present: Reps. Foster, Zorn, Haines, Schmidt, Farrington, Glardon, Johnson, Nesbitt, Somerville, Outman, Leonard, Switalski, Barnett, Townsend, Santana, Driskell and Yanez

Absent: Reps. Kelly and Oakes

Excused: Reps. Kelly and Oakes

COMMITTEE ATTENDANCE REPORT

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

Meeting held on: Wednesday, January 15, 2014

Present: Reps. Lyons, Franz, Crawford, Daley, Genetski, Lund, McMillin, Hooker, Jacobsen, Price, Yonker, Lipton, Knezek, Brinks, Lamonte and Abed

Absent: Rep. Stallworth

Excused: Rep. Stallworth

Rep. Zorn moved that the House adjourn.

The motion prevailed, the time being 8:20 p.m.

The Speaker declared the House adjourned until Tuesday, January 21, at 1:30 p.m.

GARY L. RANDALL

Clerk of the House of Representatives

