

No. 73
STATE OF MICHIGAN
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Senate Chamber, Lansing, Wednesday, November 28, 2012.

10:00 a.m.

Pursuant to rule 1.101, in the absence of the Presiding Officers, the Senate was called to order by the Secretary of the Senate.

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

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

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

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

Pastor Eric Haven of Woodside Bible Church of Troy offered the following invocation:

Good morning, Lord. We are so thankful for Your presence with us this morning. We appreciate Your creation. The sun reminds us of Your presence. We recognize Your sovereign rule over the universe. We also recognize Your word, which tells us that "righteousness exalts a nation, but sin is a reproach to any people." You define righteousness by Your own being, and we affirm our desire to be Your agents of righteousness this day.

Thank you for promising to lead us when we commit our ways to You. That, we do this day.

We pray this all in the name of Your Son Jesus. Amen.

The Secretary of the Senate, Carol Morey Viventi, led the members of the Senate in recital of the *Pledge of Allegiance*.

The Assistant President pro tempore, Senator Hansen, assumed the Chair.

Motions and Communications

Senators Kahn, Richardville, Walker, Schuitmaker, Brandenburg, Casperson, Smith, Marleau and Pavlov entered the Senate Chamber.

Senator Bieda moved that Senators Gleason, Hunter and Johnson be temporarily excused from today's session. The motion prevailed.

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

Senators Gleason and Nofs entered the Senate Chamber.

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

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

Senator Meekhof moved that rule 3.901 be suspended to allow photographs to be taken from the Senate floor. The motion prevailed, a majority of the members serving voting therefor.

The Secretary announced that the following House bills were received in the Senate and filed on Tuesday, November 27:
House Bill Nos. 5096 5097 5673 5674 5675 5676 5789 5805 6023

Messages from the Governor

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

Senate Bill No. 930

Senate Bill No. 754

Senate Bill No. 803

The motion prevailed.

The following message from the Governor was received and read:

November 19, 2012

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

Michigan Board of Podiatric Medicine and Surgery

Franklin J. Peterson of 31 Sycamore Avenue, Battle Creek, Michigan 49017, county of Calhoun, representing public members, succeeding Lily Gee, is appointed for a term expiring June 30, 2013.

Brian D. Brunner of 1001 Glen Avenue, Mount Pleasant, Michigan 48858, county of Isabella, representing public members, succeeding Charles Morris, is appointed for a term expiring June 30, 2014.

Sincerely,
Rick Snyder
Governor

The appointments were referred to the Committee on Government Operations.

Recess

Senator Meekhof moved that the Senate recess subject to the call of the Chair.
The motion prevailed, the time being 10:08 a.m.

10:16 a.m.

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

During the recess, Senator Richardville introduced Henry Zavislak, retiring Jackson County prosecutor, and his wife Lynn and presented him with a Special Tribute.

During the recess, Senators Hunter and Johnson entered the Senate Chamber.

By unanimous consent the Senate proceeded to the order of

General Orders

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

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

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

Senate Bill No. 1315, entitled

A bill to amend 1953 PA 232, entitled "Corrections code of 1953," by amending section 36 (MCL 791.236), as amended by 2011 PA 165.

Senate Bill No. 1298, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending section 703 (MCL 206.703), as amended by 2012 PA 217.

Senate Bill No. 1350, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 40103, 40118, 43503, and 43507 (MCL 324.40103, 324.40118, 324.43503, and 324.43507), section 40103 as amended by 2000 PA 191, section 40118 as amended by 2000 PA 347, section 43503 as added by 1995 PA 57, and section 43507 as amended by 1996 PA 585, and by adding sections 40110b and 43528b.

Senate Bill No. 1340, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 40119 (MCL 324.40119), as amended by 2004 PA 587.

Senate Bill No. 1341, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 73109 and 73110 (MCL 324.73109 and 324.73110), as amended by 1998 PA 546.

Senate Bill No. 1348, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 43559 (MCL 324.43559), as amended by 1998 PA 95, and by adding section 1616.

Senate Bill No. 811, entitled

A bill to amend 1895 PA 3, entitled "The general law village act," by amending sections 4 and 5 of chapter II and section 3 of chapter V (MCL 62.4, 62.5, and 65.3), section 4 of chapter II and section 3 of chapter V as amended by 2003 PA 305 and section 5 of chapter II as amended by 2004 PA 300.

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

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

Senate Bill No. 996, entitled

A bill to provide for indemnification for livestock, domestic animals, and pets that are killed by certain wildlife; and to prescribe the powers and duties of certain state agencies and officials.

Substitute (S-4).

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. 1083, entitled

A bill to enhance public safety, protect the environment, and prevent the disruption of vital public services by reducing the incidences of damage to underground facilities caused by excavation or blasting activity by providing notices to facility owners and facility operators before excavation or blasting; to provide for certain notices to affected parties when underground facilities are damaged; to provide for the powers and duties of certain state governmental officers and entities; to allow the promulgation of rules; to prescribe penalties; to allow the imposition of a fee; to provide for immunity for certain individuals; to allow claims for damages against certain governmental entities in certain circumstances; and to repeal acts and parts of acts.

Substitute (S-3).

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

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

Senate Bill No. 1084, entitled

A bill to amend 1964 PA 170, entitled "An act to make uniform the liability of municipal corporations, political subdivisions, and the state, its agencies and departments, officers, employees, and volunteers thereof, and members of certain boards, councils, and task forces when engaged in the exercise or discharge of a governmental function, for injuries to property and persons; to define and limit this liability; to define and limit the liability of the state when engaged in a proprietary function; to authorize the purchase of liability insurance to protect against loss arising out of this liability; to provide for defending certain claims made against public officers, employees, and volunteers and for paying damages sought or awarded against them; to provide for the legal defense of public officers, employees, and volunteers; to provide for reimbursement of public officers and employees for certain legal expenses; and to repeal acts and parts of acts," by amending section 13 (MCL 691.1413), as amended by 1986 PA 175.

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. 1321, entitled

A bill to amend 1968 PA 330, entitled "Private security business and security alarm act," (MCL 338.1051 to 338.1092) by adding section 17a.

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. 1337, entitled

A bill to amend 1933 PA 167, entitled "General sales tax act," by amending section 4q (MCL 205.54q), as amended by 2004 PA 173.

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.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:
Senate Bill No. 810, entitled

A bill to amend 1954 PA 116, entitled "Michigan election law," by amending sections 4, 381, and 642a (MCL 168.4, 168.381, and 168.642a), section 4 as amended by 2010 PA 181, section 381 as amended by 2010 PA 184, and section 642a as amended by 2010 PA 222; and to repeal acts and parts of acts.

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.

By unanimous consent the Senate returned to the order of

Third Reading of Bills

Senator Meekhof moved that the following bills be placed at the head of the Third Reading of Bills calendar:

Senate Bill No. 1145

Senate Bill No. 1043

Senate Bill No. 1240

Senate Bill No. 1242

Senate Bill No. 1316

Senate Bill No. 1317

Senate Bill No. 1318

Senate Bill No. 1319

Senate Bill No. 1320

The motion prevailed.

Senator Richardville asked and was granted unanimous consent to make a statement and moved that the statement be printed in the Journal.

The motion prevailed.

Senator Richardville's statement is as follows:

I am pleased this morning to have Clara Ostrander from Milan. She is here with her family to be recognized for being named the Monroe County Homemaker of the Year for 2012. This award recognizes her amazing ability to be a leader for Monroe County 4-H. By the way, the 4-H in Monroe County is the biggest in the state of Michigan—of all 83 counties. This just demonstrates her numerous contributions to the success of the Monroe County Fair and her participation in many community service projects in Monroe County.

Monroe County has held the Homemaker of the Year contest since 1967. It has continued to garnish an enormous amount of recognition throughout the county and the rest of the state of Michigan. Clara, through her participation and leadership, serves as an ideal spokesperson for the contest and for the Monroe County Fair.

Colleagues, staff members, and guests in the Gallery, please help me to congratulate Clara Ostrander on being named the Monroe County Homemaker of the Year for 2012.

The following bill was read a third time:

Senate Bill No. 1145, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending sections 17048 and 17548 (MCL 333.17048 and 333.17548), as amended by 2011 PA 210.

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. 757

Yeas—38

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

Colbeck
Emmons
Gleason
Green

Hunter
Jansen
Johnson
Jones

Pappageorge
Pavlov
Proos

Warren
Whitmer
Young

Nays—0

Excused—0

Not Voting—0

In The Chair: Schuitmaker

The Senate agreed to the title of the bill.

The following bill was read a third time:

Senate Bill No. 1043, entitled

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending section 2559 (MCL 600.2559), as amended by 2003 PA 243.

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. 758

Yeas—29

Anderson
Bieda
Booher
Emmons
Gleason
Green
Gregory
Hildenbrand

Hood
Hopgood
Hunter
Jansen
Johnson
Jones
Kahn

Kowall
Marleau
Meekhof
Nofs
Pappageorge
Pavlov
Proos

Richardville
Rocca
Smith
Walker
Warren
Whitmer
Young

Nays—9

Brandenburg
Casperson
Caswell

Colbeck
Hansen

Hune
Moolenaar

Robertson
Schuitmaker

Excused—0

Not Voting—0

In The Chair: Schuitmaker

The Senate agreed to the title of the bill.

The following bill was read a third time:

Senate Bill No. 1240, entitled

A bill to provide protection from civil liability to persons that provide court-appointed social services.

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. 759

Yeas—25

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

Nays—13

Anderson	Hood	Johnson	Warren
Bieda	Hopgood	Rocca	Whitmer
Gleason	Hunter	Smith	Young
Gregory			

Excused—0

Not Voting—0

In The Chair: Schuitmaker

The Senate agreed to the title of the bill.

The following bill was read a third time:

Senate Bill No. 1242, entitled

A bill to amend 1973 PA 116, entitled “An act to provide for the protection of children through the licensing and regulation of child care organizations; to provide for the establishment of standards of care for child care organizations; to prescribe powers and duties of certain departments of this state and adoption facilitators; to provide penalties; and to repeal acts and parts of acts,” by amending sections 2a and 10 (MCL 722.112a and 722.120), section 2a as amended by 2007 PA 217 and section 10 as amended by 2006 PA 206.

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. 760

Yeas—38

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

Caswell	Hune	Nofs	Walker
Colbeck	Hunter	Pappageorge	Warren
Emmons	Jansen	Pavlov	Whitmer
Gleason	Johnson	Proos	Young
Green	Jones		

Nays—0

Excused—0

Not Voting—0

In The Chair: Schuitmaker

The Senate agreed to the title of the bill.

The following bill was read a third time:

Senate Bill No. 1316, entitled

A bill to amend 1978 PA 368, entitled “Public health code,” by amending section 17048 (MCL 333.17048), as amended by 2011 PA 210.

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. 761

Yeas—38

Anderson	Gregory	Kahn	Richardville
Bieda	Hansen	Kowall	Robertson
Booher	Hildenbrand	Marleau	Rocca
Brandenburg	Hood	Meekhof	Schuitmaker
Casperson	Hopgood	Moolenaar	Smith
Caswell	Hune	Nofs	Walker
Colbeck	Hunter	Pappageorge	Warren
Emmons	Jansen	Pavlov	Whitmer
Gleason	Johnson	Proos	Young
Green	Jones		

Nays—0

Excused—0

Not Voting—0

In The Chair: Schuitmaker

The Senate agreed to the title of the bill.

The following bill was read a third time:

Senate Bill No. 1317, entitled

A bill to amend 1980 PA 299, entitled "Occupational code," by amending section 721 (MCL 339.721), as amended by 2005 PA 278.

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. 762

Yeas—38

Anderson	Gregory	Kahn	Richardville
Bieda	Hansen	Kowall	Robertson
Booher	Hildenbrand	Marleau	Rocca
Brandenburg	Hood	Meekhof	Schuitmaker
Casperson	Hopgood	Moolenaar	Smith
Caswell	Hune	Nofs	Walker
Colbeck	Hunter	Pappageorge	Warren
Emmons	Jansen	Pavlov	Whitmer
Gleason	Johnson	Pros	Young
Green	Jones		

Nays—0

Excused—0

Not Voting—0

In The Chair: Schuitmaker

The Senate agreed to the title of the bill.

The following bill was read a third time:

Senate Bill No. 1318, entitled

A bill to amend 1907 PA 101, entitled "An act to regulate the carrying on of business under an assumed or fictitious name," by amending section 4 (MCL 445.4), as amended by 1990 PA 111.

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. 763

Yeas—38

Anderson	Gregory	Kahn	Richardville
Bieda	Hansen	Kowall	Robertson
Booher	Hildenbrand	Marleau	Rocca
Brandenburg	Hood	Meekhof	Schuitmaker
Casperson	Hopgood	Moolenaar	Smith
Caswell	Hune	Nofs	Walker
Colbeck	Hunter	Pappageorge	Warren
Emmons	Jansen	Pavlov	Whitmer
Gleason	Johnson	Pros	Young
Green	Jones		

Nays—0

Excused—0

Not Voting—0

In The Chair: Schuitmaker

The Senate agreed to the title of the bill.

The following bill was read a third time:

Senate Bill No. 1319, entitled

A bill to amend 1993 PA 23, entitled “Michigan limited liability company act,” by amending sections 102 and 902 (MCL 450.4102 and 450.4902), section 102 as amended by 2010 PA 290 and section 902 as amended by 2010 PA 126.

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. 764

Yeas—38

Anderson	Gregory	Kahn	Richardville
Bieda	Hansen	Kowall	Robertson
Booher	Hildenbrand	Marleau	Rocca
Brandenburg	Hood	Meekhof	Schuitmaker
Casperson	Hopgood	Moolenaar	Smith
Caswell	Hune	Nofs	Walker
Colbeck	Hunter	Pappageorge	Warren
Emmons	Jansen	Pavlov	Whitmer
Gleason	Johnson	Proos	Young
Green	Jones		

Nays—0

Excused—0

Not Voting—0

In The Chair: Schuitmaker

The Senate agreed to the title of the bill.

The following bill was read a third time:

Senate Bill No. 1320, entitled

A bill to amend 1972 PA 284, entitled “Business corporation act,” by amending sections 105, 106, 108, 109, 123, 201, 202, 211, 241, 405, 488, 528, 564b, 565, 569, 611, 631, 641, 642, 643, 703a, 753, 762, 776, 781, 784, 804, 911, 1021, 1035, and 1041 (MCL 450.1105, 450.1106, 450.1108, 450.1109, 450.1123, 450.1201, 450.1202, 450.1211, 450.1241, 450.1405, 450.1488, 450.1528, 450.1564b, 450.1565, 450.1569, 450.1611, 450.1631, 450.1641, 450.1642, 450.1643,

450.1703a, 450.1753, 450.1762, 450.1776, 450.1781, 450.1784, 450.1804, 450.1911, 450.2021, 450.2035, and 450.2041), sections 105, 123, 405, 488, 703a, and 753 as amended by 2001 PA 57, section 106 as amended by 2006 PA 68, sections 108, 202, 804, and 1035 as amended by 1989 PA 121, sections 109, 565, 643, and 1021 as amended by 1993 PA 91, sections 201, 211, 241, 564b, and 762 as amended by 2008 PA 402, section 528 as amended by 2006 PA 65, section 569 as amended by 1987 PA 1, section 611 as amended by 2006 PA 64, sections 631, 641, and 1041 as amended by 1997 PA 118, section 642 as amended by 1982 PA 407, sections 776, 781, and 784 as amended by 1989 PA 31, and section 911 as amended by 2007 PA 182, and by adding section 529 and chapter 2A; and to repeal acts and parts of acts.

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. 765**Yeas—38**

Anderson	Gregory	Kahn	Richardville
Bieda	Hansen	Kowall	Robertson
Booher	Hildenbrand	Marleau	Rocca
Brandenburg	Hood	Meekhof	Schuitmaker
Casperson	Hopgood	Moolenaar	Smith
Caswell	Hune	Nofs	Walker
Colbeck	Hunter	Pappageorge	Warren
Emmons	Jansen	Pavlov	Whitmer
Gleason	Johnson	Proos	Young
Green	Jones		

Nays—0**Excused—0****Not Voting—0**

In The Chair: Schuitmaker

The Senate agreed to the title of the bill.

Senator Meekhof moved to reconsider the vote by which the following bill was passed:

Senate Bill No. 1043, entitled

A bill to amend 1961 PA 236, entitled “Revised judicature act of 1961,” by amending section 2559 (MCL 600.2559), as amended by 2003 PA 243.

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

The question being on the passage of the bill,

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

Roll Call No. 766**Yeas—28**

Anderson	Hildenbrand	Kahn	Proos
Bieda	Hood	Kowall	Richardville
Booher	Hopgood	Marleau	Rocca
Emmons	Hunter	Meekhof	Smith
Gleason	Jansen	Nofs	Warren
Green	Johnson	Pappageorge	Whitmer
Gregory	Jones	Pavlov	Young

Nays—10

Brandenburg
Casperson
Caswell

Colbeck
Hansen
Hune

Moolenaar
Robertson

Schuitmaker
Walker

Excused—0**Not Voting—0**

In The Chair: Schuitmaker

By unanimous consent the Senate proceeded to the order of
Resolutions

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

Senate Resolution No. 115

Senate Concurrent Resolution No. 26

Senate Resolution No. 34

Senate Resolution No. 85

Senate Resolution No. 105

House Concurrent Resolution No. 29

Senate Resolution No. 112

House Concurrent Resolution No. 6

Senate Resolution No. 120

Senate Resolution No. 127

Senate Concurrent Resolution No. 27

The motion prevailed.

Senators Kahn, Caswell and Jansen offered the following resolution:

Senate Resolution No. 181.

A resolution to express support for an amendment to the Patient Protection and Affordable Care Act that will allow insurance companies to consider Health Savings Account contributions toward the payment of benefits and premiums in the medical loss ratio calculation.

Whereas, The Patient Protection and Affordable Care Act (PPACA) was enacted in 2010 by the federal government to address multiple issues regarding health care delivery in the United States. The PPACA requires certain health insurers to provide rebates to their customers for each year that the insurers do not meet a set financial target called a medical loss ratio (MLR). The MLR is a measure of the share of health care premium dollars spent on medical benefits compared to company expenses such as overhead or profits. The PPACA provides that insurance companies meet a minimum MLR of 80-85 percent, meaning that 80 to 85 percent of their revenues must be used for payment of claims, or they must rebate the excess to the consumer; and

Whereas, Health Savings Accounts (HSAs) were created by Congress in 2003 to provide consumers with more flexibility and responsibility over their health care spending. Consumers can buy high-deductible health plans (HDHPs) with a low monthly premium amount while saving pretax contributions in an HSA. The funds in the HSA are then used to pay the insurance deductible and other health care-related expenses. Over 13 million consumers purchase health insurance through the use of HDHPs and HSAs; and

Whereas, An unintended consequence of the current MLR regulations imposed under the PPACA will make it financially unsustainable for insurance companies to offer HDHPs. As a result, HSAs will no longer be beneficial for consumers. In exchange for a higher deductible, HDHPs have lower premiums than traditional health plans. The HSA helps the consumer pay for the higher deductible. However, the PPACA's MLR calculation does not take into account the use of HSAs to pay deductibles. As a result, it will be difficult for insurers offering HDHPs to meet the minimum MLR; now, therefore, be it

Resolved by the Senate, That we express support for an amendment to the PPACA that will allow insurance companies to consider HSA contributions toward the payment of benefits and premiums in the MLR calculation; and be it further

Resolved, That copies of this resolution be transmitted to the Office of the Michigan Attorney General, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

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

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

The resolution was adopted.

Senator Kahn asked and was granted unanimous consent to make a statement and moved that the statement be printed in the Journal.

The motion prevailed.

Senator Kahn's statement is as follows:

Madam President, we are grappling in our communities; we are struggling in our communities, in our state, and in our nation with the issue of controlling health care costs—giving our people access at an affordable rate. In 2011, an estimated 11.4 million Americans chose high-deductible health care plans, coupled with Health Savings Accounts, as their means for having affordable health care and access to it. This combination is popular because it provides a low-cost alternative to traditional insurance plans.

This resolution before us addresses how the medical loss ratio provision in the Patient Protection and Affordable Care Act negatively impact high-deductible health care plans and our people's ability to access them, to choose them, to buy them; and, therefore, their ability to have health care.

Often health care consumers will couple a high-deductible health care plan with a Health Savings Account as a way to offset the costs of the high deductible. The Obamacare act requires insurance companies to meet a minimum medical loss ratio of 80-85 percent, which means that 80-85 percent of revenues must be spent on health care costs, or they rebate the remainder to consumers. In years when there are fewer claims, insurance companies must rebate money to customers rather than savings for years, or there may be more claims. In particular, for low-cost plans which have the same fixed cost overhead, this has been destructive.

This resolution supports an amendment to the Patient Protection and Affordable Care Act that will allow insurance companies to consider HSA contributions toward the payment of benefits and premiums in the medical loss ratio calculations.

I ask our chamber to support it, Madam President.

Senator Kahn offered the following concurrent resolution:

Senate Concurrent Resolution No. 36.

A concurrent resolution to express support for an amendment to the Patient Protection and Affordable Care Act that will allow insurance companies to consider Health Savings Account contributions toward the payment of benefits and premiums in the medical loss ratio calculation.

Whereas, The Patient Protection and Affordable Care Act (PPACA) was enacted in 2010 by the federal government to address multiple issues regarding health care delivery in the United States. The PPACA requires certain health insurers to provide rebates to their customers for each year that the insurers do not meet a set financial target called a medical loss ratio (MLR). The MLR is a measure of the share of health care premium dollars spent on medical benefits compared to company expenses such as overhead or profits. The PPACA provides that insurance companies meet a minimum MLR of 80-85 percent, meaning that 80 to 85 percent of their revenues must be used for payment of claims, or they must rebate the excess to the consumer; and

Whereas, Health Savings Accounts (HSAs) were created by Congress in 2003 to provide consumers with more flexibility and responsibility over their health care spending. Consumers can buy high-deductible health plans (HDHPs) with a low monthly premium amount while saving pretax contributions in an HSA. The funds in the HSA are then used to pay the insurance deductible and other health care-related expenses. Over 13 million consumers purchase health insurance through the use of HDHPs and HSAs; and

Whereas, An unintended consequence of the current MLR regulations imposed under the PPACA will make it financially unsustainable for insurance companies to offer HDHPs. As a result, HSAs will no longer be beneficial for consumers. In exchange for a higher deductible, HDHPs have lower premiums than traditional health plans. The HSA helps the consumer pay for the higher deductible. However, the PPACA's MLR calculation does not take into account the use of HSAs to pay deductibles. As a result, it will be difficult for insurers offering HDHPs to meet the minimum MLR; now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That we express support for an amendment to the PPACA that will allow insurance companies to consider HSA contributions toward the payment of benefits and premiums in the MLR calculation; and be it further

Resolved, That copies of this resolution be transmitted to the Office of the Michigan Attorney General, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

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

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

The concurrent resolution was adopted.

By unanimous consent the Senate returned to the order of

General Orders

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

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

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

Senate Bill No. 353, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 625 (MCL 257.625), as amended by 2008 PA 463.

Substitute (S-3).

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

Introduction and Referral of Bills

House Bill No. 5096, entitled

A bill to amend 1939 PA 288, entitled "Probate code of 1939," by amending sections 27a and 68 of chapter X (MCL 710.27a and 710.68), section 27a as added by 1994 PA 208 and section 68 as amended by 1994 PA 373.

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 Families, Seniors and Human Services.

House Bill No. 5097, entitled

A bill to amend 1939 PA 288, entitled "Probate code of 1939," by amending section 19b of chapter XIII (MCL 712A.19b), as amended by 2012 PA 115.

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 Families, Seniors and Human Services.

House Bill No. 5673, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 5201, 5202, 5203, and 5204 (MCL 324.5201, 324.5202, 324.5203, and 324.5204), section 5201 as amended by 2005 PA 257, sections 5202 and 5203 as added by 2002 PA 397, and section 5204 as amended by 2010 PA 232, and by adding sections 5204e and 5204f.

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 Natural Resources, Environment and Great Lakes.

House Bill No. 5674, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 5301 and 5303 (MCL 324.5301 and 324.5303), section 5301 as amended by 2005 PA 255 and section 5303 as amended by 2002 PA 398; and to repeal acts and parts of acts.

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 Natural Resources, Environment and Great Lakes.

House Bill No. 5675, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 5402 and 5406 (MCL 324.5402 and 324.5406), as added by 1997 PA 26.

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 Natural Resources, Environment and Great Lakes.

House Bill No. 5676, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 19708 (MCL 324.19708), as amended by 2010 PA 232.

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 Natural Resources, Environment and Great Lakes.

House Bill No. 5789, entitled

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending section 3801 (MCL 600.3801), as amended by 1988 PA 2.

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.

Senator Meekhof moved that rule 3.203 be suspended and that the bill be referred to the Committee of the Whole and placed on the order of General Orders.

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

House Bill No. 5805, entitled

A bill to recognize the operation of health care sharing ministries by eligible entities; and to provide that entities that establish and operate health care sharing ministries are not engaging in the business of insurance.

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 Insurance.

House Bill No. 6023, entitled

A bill to amend 2007 PA 36, entitled "Michigan business tax act," by amending section 515 (MCL 208.1515), as amended by 2009 PA 106.

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 Finance.

Committee Reports

The Committee on Energy and Technology reported

House Bill No. 5523, entitled

A bill to prohibit employers and educational institutions from requiring certain individuals to grant access to, allow observation of, or disclose information that allows access to or observation of personal internet accounts; to prohibit employers and educational institutions from taking certain actions for failure to allow access to, observation of, or disclosure of information that allows access to personal internet accounts; and to provide sanctions and remedies.

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.

Mike Nofs
Chairperson

To Report Out:

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

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 Energy and Technology submitted the following:
 Meeting held on Tuesday, November 27, 2012, at 1:00 p.m., Senate Hearing Room, Ground Floor, Boji Tower
 Present: Senators Nofs (C), Proos, Marleau, Hopgood, Bieda and Young
 Excused: Senators Jones, Schuitmaker and Walker

COMMITTEE ATTENDANCE REPORT

The Committee on Education submitted the following:
 Meeting held on Thursday, November 8, 2012, at 2:30 p.m., Room 210, Farnum Building
 Present: Senators Pavlov (C), Emmons, Colbeck, Hopgood and Young

COMMITTEE ATTENDANCE REPORT

The Joint Subcommittee on Capital Outlay submitted the following:
 Meeting held on Tuesday, November 27, 2012, 12:00 noon, House Appropriations Room, 3rd Floor, Capitol Building
 Present: Senators Booher (C), Schuitmaker, Jansen, Green, Moolenaar, Hood and Anderson

COMMITTEE ATTENDANCE REPORT

The Committee on Education submitted the following:
 Meeting held on Tuesday, November 27, 2012, at 3:00 p.m., Senate Hearing Room, Ground Floor, Boji Tower
 Present: Senators Pavlov (C), Emmons, Colbeck, Hopgood and Young

Scheduled Meetings

Agriculture - Thursday, November 29, 8:30 a.m., Room 110, Farnum Building (373-5312)

Appropriations - Thursday, November 29, 9:00 a.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-1760)

Subcommittee -

K-12, School Aid, Education and House School Aid Appropriations Subcommittee - Thursday, December 6, 9:00 a.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-2768)

Banking and Financial Institutions - Thursday, November 29, 1:30 p.m., Room 100, Farnum Building (373-5312)

Education - Thursday, November 29, 9:00 a.m., Senate Hearing Room, Ground Floor, Boji Tower (373-5314)

Energy and Technology - Tuesday, December 4, 1:00 p.m., Senate Hearing Room, Ground Floor, Boji Tower (373-5307)

Health Policy - Thursday, November 29, 2:30 p.m., Senate Hearing Room, Ground Floor, Boji Tower (373-5314)

Natural Resources, Environment and Great Lakes - Thursday, November 29, 8:30 a.m., Room 210, Farnum Building (373-5323)

Regulatory Reform - Thursday, November 29, 12:30 p.m., Room 110, Farnum Building (373-5314)

Senator Meekhof moved that the Senate adjourn.
 The motion prevailed, the time being 11:12 a.m.

The President pro tempore, Senator Schuitmaker, declared the Senate adjourned until Thursday, November 29, 2012, at 10:00 a.m.