

No. 86
STATE OF MICHIGAN
Journal of the Senate
95th Legislature
REGULAR SESSION OF 2009

Senate Chamber, Lansing, Thursday, October 15, 2009.

10:00 a.m.

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

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

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

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

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

Senator John Pappageorge of the 13th District offered the following invocation:

Lord, these are truly stressful times in Michigan; economic conditions are severe. In looking for solutions, we are pulled in many different directions, and political philosophies clash. The civilities, courtesies, and respect we show each other, which are the hallmark of our work together, are strained. The temptation to make intemperate remarks rises.

Please, Lord, bless us with Your wisdom and guidance as we work our way through these difficult times. Help us to do what is right for the citizens of our state and to proceed with our work in the spirit of goodwill and honest dialogue. We ask this in Christ's name.

And, Lord, if there are any whose agenda does not put the needs of Michigan's citizens first, please give their ankle a slight twist so we will know them by their limp.

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

Motions and Communications

Senator Allen entered the Senate Chamber.

Senator Cropsey moved that Senators Birkholz, Garcia, Jansen and Kuipers be temporarily excused from today's session. The motion prevailed.

Senator Thomas moved that Senators Brater and Clarke be temporarily excused from today's session. The motion prevailed.

Senator Cropsey moved that the Committee on Finance be discharged from further consideration of the following bill:
House Bill No. 4922, entitled

A bill to amend 1995 PA 24, entitled "Michigan economic growth authority act," by amending section 8 (MCL 207.808), as amended by 2008 PA 257.

The motion prevailed, a majority of the members serving voting therefor, and the bill was placed on the order of General Orders.

Senator Cropsey moved that the rules be suspended and that the following bill, now on the order of General Orders, be placed on the General Orders calendar for consideration today:

House Bill No. 4922

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

The Secretary announced that the following House bill was received in the Senate and filed on Wednesday, October 14:
House Bill No. 5375

The Secretary announced that the following official bills were printed on Wednesday, October 14, and are available at the legislative website:

House Bill Nos. 5506 5507 5508 5509 5510 5511

Messages from the Governor

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

Senate Bill No. 254

The motion prevailed.

The following message from the Governor was received and read:

APPROPRIATIONS; ZERO BUDGET; DEPARTMENT OF AGRICULTURE

October 14, 2009

Today I have signed Enrolled Senate Bill 237, which authorizes expenditures for the Department of Agriculture for the fiscal year ending September 30, 2010. I have, however, disapproved numerous items pursuant to Section 19 of Article V

of the Michigan Constitution of 1963. The specific item vetoes are detailed in the attached copy of the bill, which has been filed with the Secretary of State.

I have exercised my item veto authority and disapproved the following items:

- Proposed appropriations included in Enrolled Senate Bill 237 for horse racing and the office of racing commissioner and related boilerplate sections. The bill would authorize the expenditure of casino gaming revenues to augment horse racing appropriations and subsidize horse racing in this state. As I have previously indicated, I believe that horse racing programs should be self-supporting. I would support restoration of funding for the horse racing grants and regulatory activities utilizing equine development funding or other funds generated by the horse racing industry.
- A proposed appropriation of \$236,900 for local conservation district programs and related boilerplate in Section 604, due to the fiscal uncertainties and continued revenue deficiencies.
- \$540,100 for the Michigan agricultural surplus system and related boilerplate in Section 702. This proposed funding authorization is duplicated, and in fact increased, in Senate Bill 248, the Fiscal Year 2010 budget for the Department of Human Services, as previously approved by the Senate and House of Representatives with immediate effect nearly two weeks ago. I intend to sign the appropriation for the agricultural surplus system in that budget when the Michigan Senate ends its delay and presents that bill.
- Section 712 of the bill, which would authorize a \$300,000 interdepartmental grant from the Department of Energy, Labor and Economic Growth (DELEG) for agriculture development and export market development, diverting limited general funds from DELEG for proposed activities of a lower priority in the Michigan Department of Agriculture.

To provide direction regarding the implementation of this new appropriations act, I note the following:

- Section 304 purports to mandate that the Department of Agriculture maintain the motor fuel quality program and not reduce program level of effort below that of Fiscal Year 2006-2007. To the extent that the Legislature mandates this level of program activity but fails to authorize appropriations sufficient to support that level of program activity for an entire fiscal year, the mandate represents an indirect encroachment upon the separate powers of the executive branch contrary to the Separation of Powers Clause.
- To the extent that Sections 460 and 608 attempt to restrict the process for budgetary reductions in a manner inconsistent with the process for the reduction of expenditures under the Michigan Constitution of 1963, The Management and Budget Act, 1984 PA 431, MCL 18.1101 to 18.1594, and other applicable law, the sections at a minimum violate Const 1963, art 4, § 25, and are unenforceable.
- Sections 458, 551, 607, 609 and 711 of the bill include statements of legislative intent. While the Legislature has the right to state its advice, preferences, or wishes through a statement of intent, such statements do not impose conditions upon appropriations and are non-binding.

I thank the Michigan Senate for presenting this budget bill which, as enacted, will help protect the health and safety of Michigan residents, provide consumer protection, safeguard animal health, and promote agriculture, a vital component of Michigan's economy.

Respectfully,
Jennifer M. Granholm
Governor

This bill was signed by the Governor on October 14, 2009, at 1:40 p.m. (Filed with the Secretary of State on October 14, 2009, at 4:12 p.m.) and assigned Public Act No. 119.

The question being on the passage of the vetoed line items, the objections of the Governor to the contrary notwithstanding,

Senator Cropsey moved that further consideration of the bill be postponed for today.

The motion prevailed.

Senators Jansen, Kuipers, Birkholz, Brater and Clark-Coleman entered the Senate Chamber.

Messages from the House

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

Senate Bill No. 243

Senate Bill No. 248

Senate Bill No. 245

Senate Bill No. 253

The motion prevailed.

Senate Bill No. 70, entitled

A bill to amend 1941 PA 122, entitled "An act to establish the revenue collection duties of the department of treasury; to prescribe its powers and duties as the revenue collection agency of this state; to prescribe certain powers and duties

of the state treasurer; to establish the collection duties of certain other state departments for money or accounts owed to this state; to regulate the importation, stamping, and disposition of certain tobacco products; to provide for the transfer of powers and duties now vested in certain other state boards, commissions, departments, and offices; to prescribe certain duties of and require certain reports from the department of treasury; to provide procedures for the payment, administration, audit, assessment, levy of interests or penalties on, and appeals of taxes and tax liability; to prescribe its powers and duties if an agreement to act as agent for a city to administer, collect, and enforce the city income tax act on behalf of a city is entered into with any city; to provide an appropriation; to abolish the state board of tax administration; to prescribe penalties and provide remedies; and to declare the effect of this act,” by amending section 28 (MCL 205.28), as amended by 2003 PA 114.

The House of Representatives has substituted (H-3) the bill.

The House of Representatives has passed the bill as substituted (H-3) and ordered that it be given immediate effect.

Pending the order that, under rule 3.202, the bill be laid over one day,

Senator Cropsey moved that the rule be suspended.

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

The question being on concurring in the substitute made to the bill by the House,

The substitute was concurred in, a majority of the members serving voting therefor, as follows:

Roll Call No. 533

Yeas—35

Allen	Cherry	Jansen	Richardville
Anderson	Clark-Coleman	Jelinek	Sanborn
Barcia	Cropsey	Kahn	Scott
Basham	George	Kuipers	Stamas
Birkholz	Gilbert	McManus	Switalski
Bishop	Gleason	Olshove	Thomas
Brater	Hardiman	Pappageorge	Van Woerkom
Brown	Hunter	Patterson	Whitmer
Cassis	Jacobs	Prusi	

Nays—0

Excused—2

Clarke	Garcia
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Not Voting—0

In The Chair: Richardville

Senator Clarke entered the Senate Chamber.

The question being on concurring in the committee recommendation to give the bill immediate effect,

The recommendation was concurred in, 2/3 of the members serving voting therefor.

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

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

The motion prevailed.

Senator Cassis' statement is as follows:

Now we are at the point of concurrence with the House substitute, which I urge the support of this. It unanimously passed the House yesterday. It is part and parcel of some very important steps, first steps we might say, giant steps for the state of Michigan and our government to ensure openness, transparency, and accountability in providing the information needed not only to make good decisions, but also to allow the public to have the same kind of disclosure.

Senate Bill No. 70 will amend the revenue act to allow the Michigan Economic Growth Authority tax credit certificates to be shared with the chair of the Senate Finance Committee, the chair of the House Tax Policy Committee, and the directors of the Senate and House Fiscal Agencies.

Importantly, there is also protection here. It adds language that would make it a civil fine of not more than \$5,000 per incident if the tax certificate was willfully disclosed. I urge your concurrence.

Senator Garcia entered the Senate Chamber.

Senate Bill No. 71, entitled

A bill to amend 1995 PA 24, entitled "Michigan economic growth authority act," by amending section 10 (MCL 207.810), as amended by 2006 PA 283.

The House of Representatives has amended the bill as follows:

1. Amend page 2, line 19, by striking out all of subdivision (F) and inserting:

"(F) THE NUMBER OF JOBS REQUIRED UNDER THE WRITTEN AGREEMENT TO BE CREATED OR RETAINED FOR EACH AUTHORIZED BUSINESS TO BE ELIGIBLE FOR THE TAX CREDITS UNDER THE WRITTEN AGREEMENT INCLUDING THE MAXIMUM NUMBER OF JOBS WHICH CAN BE UTILIZED TO CALCULATE THE CREDIT FOR EACH AUTHORIZED BUSINESS UNDER THE WRITTEN AGREEMENT."

2. Amend page 3, line 2, after "of" by striking out "new".

3. Amend page 3, line 2, after "INVESTMENT" by inserting "REQUIRED OR OTHERWISE ANTICIPATED".

4. Amend page 3, line 2, after "UNDER" by striking out "NEW".

5. Amend page 3, line 3, after "section 8(5)" by inserting "OR (9)".

6. Amend page 3, line 7, after "FOR" by striking out "THAT YEAR" and inserting "THE MOST RECENT PERIOD THAT INFORMATION IS AVAILABLE".

7. Amend page 3, line 9, after "FOR" by inserting "TAX CREDITS AUTHORIZED UNDER SECTION 8(5) OR (9) FOR".

8. Amend page 3, line 16, by striking out all of subsection (2) and inserting:

"(2) A REVIEW AND COMMENTS CONCERNING THE REPORT SHALL BE INCLUDED IN THE AUDITOR GENERAL'S POSTAUDIT OF THE AUTHORITY."

9. Amend page 3, following line 18, by inserting:

"Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 95th Legislature are enacted into law:

(a) Senate Bill No. 70.

(b) Senate Bill No. 774.

(c) House Bill No. 4922."

The House of Representatives has passed the bill as amended, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

Pending the order that, under rule 3.202, the bill be laid over one day,

Senator Cropsey moved that the rule be suspended.

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

The question being on concurring in the amendments made to the bill by the House,

The amendments were concurred in, a majority of the members serving voting therefor, as follows:

Roll Call No. 534

Yeas—37

Allen	Clark-Coleman	Jacobs	Prusi
Anderson	Clarke	Jansen	Richardville
Barcia	Cropsey	Jelinek	Sanborn
Basham	Garcia	Kahn	Scott
Birkholz	George	Kuipers	Stamas
Bishop	Gilbert	McManus	Switalski

Brater
Brown
Cassis
Cherry

Gleason
Hardiman
Hunter

Olshove
Pappageorge
Patterson

Thomas
Van Woerkom
Whitmer

Nays—0

Excused—0

Not Voting—0

In The Chair: Richardville

The question being on concurring in the committee recommendation to give the bill immediate effect,
The recommendation was concurred in, 2/3 of the members serving voting therefor.
The Senate agreed to the full title.
The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

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

The motion prevailed.

Senator Cassis' statement is as follows:

If I might emphasize again why this legislation is such a giant step forward in our state. Prior to this legislation, there was no mechanism to evaluate the effectiveness of refundable credits as part of an overall economic development program in our state. This legislation is designed to remediate this shortfall.

Yesterday, Senate Bill No. 71 was unanimously passed by the House. They made a number of technical amendments to the bill. The most significant of the amendments requires the Auditor General to include a review and make comments on MEGA credits in the postaudit of the Michigan Economic Growth Authority.

Significantly, this annual report that will be required will include the actual number of jobs created or retained; the actual capital investment and the actual total value of the tax credits claimed by a company receiving the MEGA tax credit.

This bill is tie-barred to the complete MEGA reform, accountability, and transparency package, and I urge your concurrence on this bill.

Senate Bill No. 774, entitled

A bill to amend 2007 PA 36, entitled "Michigan business tax act," by amending section 431 (MCL 208.1431), as amended by 2008 PA 111.

The House of Representatives has substituted (H-2) the bill.

The House of Representatives has passed the bill as substituted (H-2), ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

Pending the order that, under rule 3.202, the bill be laid over one day,

Senator Cropsey moved that the rule be suspended.

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

The question being on concurring in the substitute made to the bill by the House,

The substitute was concurred in, a majority of the members serving voting therefor, as follows:

Roll Call No. 535

Yeas—37

Allen
Anderson

Clark-Coleman
Clarke

Jacobs
Jansen

Prusi
Richardville

Barcia	Cropsey	Jelinek	Sanborn
Basham	Garcia	Kahn	Scott
Birkholz	George	Kuipers	Stamas
Bishop	Gilbert	McManus	Switalski
Brater	Gleason	Olshove	Thomas
Brown	Hardiman	Pappageorge	Van Woerkom
Cassis	Hunter	Patterson	Whitmer
Cherry			

Nays—0

Excused—0

Not Voting—0

In The Chair: Richardville

The question being on concurring in the committee recommendation to give the bill immediate effect, The recommendation was concurred in, 2/3 of the members serving voting therefor. The Senate agreed to the full title. The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

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

The motion prevailed.

Senator Cassis' statement is as follows:

This is the third of the four bills in the reform, transparency, and accountability package which, again, did overwhelmingly pass the House yesterday. Oftentimes we forget to thank those individuals who work so hard and for so long on what I would call hallmark legacy legislation, the first of its kind in Michigan. So to those members of the staff, let me say thank you very much, and my colleagues who also have been part and parcel of this entire effort, as well as my colleagues in the House and Senate today who are passing these important measures onto our Governor for her signature.

Senate Bill No. 774 caps the growth of MEGA credits by placing an annual \$95 million cap on the growth of these credits. This legislation is needed, in part, to ensure greater ability for our state legislators, those in the appropriations process, to plan the annual budget.

Today we are concurring with some technical changes made by the House, so I urge your concurrence.

By unanimous consent the Senate proceeded to the order of

General Orders

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

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

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

House Bill No. 4922, entitled

A bill to amend 1995 PA 24, entitled "Michigan economic growth authority act," by amending section 8 (MCL 207.808), as amended by 2008 PA 257.

The bill 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:

House Bill No. 5072, entitled

A bill to amend 1987 PA 231, entitled "An act to create a transportation economic development fund in the state treasury; to prescribe the uses of and distributions from this fund; to create the office of economic development and

to prescribe its powers and duties; to prescribe the powers and duties of the state transportation department, state transportation commission, and certain other bodies; and to permit the issuance of certain bonds,” by amending section 11 (MCL 247.911), as amended by 2008 PA 364.

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:

House Bill No. 5073, entitled

A bill to amend 1949 PA 300, entitled “Michigan vehicle code,” by amending section 819 (MCL 257.819), as amended by 2008 PA 346.

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 amendments, the following bill:

Senate Bill No. 448, entitled

A bill to amend 1949 PA 300, entitled “Michigan vehicle code,” by amending section 722 (MCL 257.722), as amended by 2008 PA 579.

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

1. Amend page 10, line 26, after “(14)” by striking out the balance of the line through “**JURISDICTION**” on line 1 of page 11 and inserting “**A COUNTY ROAD COMMISSION**”.

2. Amend page 11, line 4, after “**SUBSECTION,**” by striking out the balance of the line through “**APPLICABLE,**” on line 6 and inserting “**THE COUNTY ROAD COMMISSION**”.

3. Amend page 11, line 9, after “**EMERGENCY,**” by striking out the balance of the line through “**APPLICABLE,**” on line 11 and inserting “**THE COUNTY ROAD COMMISSION**”.

4. Amend page 11, line 17, after the first “**THE**” by striking out the balance of the subsection and inserting “**COUNTY ROAD COMMISSION.**”.

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

By unanimous consent the Senate proceeded to the order of

Introduction and Referral of Bills

Senator Switalski introduced

Senate Bill No. 902, entitled

A bill to amend 1998 PA 58, entitled “Michigan liquor control code of 1998,” by amending section 703 (MCL 436.1703), as amended by 2006 PA 443.

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

Senator Jacobs introduced

Senate Bill No. 903, entitled

A bill to amend 1961 PA 236, entitled “Revised judicature act of 1961,” by amending section 8312 (MCL 600.8312).

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

Senators Garcia, Clarke and Jacobs introduced

Senate Bill No. 904, entitled

A bill to amend 1994 PA 451, entitled “Natural resources and environmental protection act,” by amending section 2511 (MCL 324.2511), as added by 2006 PA 146.

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

Senators George and Birkholz introduced
Senate Bill No. 905, entitled

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

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

Senators George and Birkholz introduced
Senate Bill No. 906, entitled

A bill to amend 1978 PA 368, entitled “Public health code,” (MCL 333.1101 to 333.25211) by adding section 12604b.

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

House Bill No. 5375, entitled

A bill to provide for loans, grants, and other assistance for energy efficiency and renewable energy projects; to create a restricted fund; and to provide for the powers and duties of certain state and local governmental officers and entities.

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 Energy Policy and Public Utilities.

Statements

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

The motion prevailed.

Senator Scott’s statement is as follows:

Life is a struggle for just about everyone in Michigan right now. Unemployed workers and even workers who are still on the job are finding it difficult to keep their heads above water. But there is one lifeline that you and I can throw to the great people of this great state. That is the lifeline of fair, reasonable, and affordable auto insurance rates. We can do that now. We have the bills—my bills are in committee waiting for actions. We can pass my bills, send them over to the House, and get them moving. If we do this, then people will not have to go another year paying high rates so that other people can pay less for their auto insurance.

Paying less for auto insurance means that people will have more money to spend on other things—money for food, household items, clothes for their children, and more money to spend on repairs for their cars. All of this spending will help Michigan’s economy. We can help our constituents and our state along the road to economic recovery at the same time. We can do that by moving my bills and bringing fairness to auto insurance rates for all people of the state of Michigan.

Senator Patterson’s statement is as follows:

I stand here today perplexed. I am sure that won’t surprise some. In my attempt to do my due diligence, I regularly read both *MIRS* news service and *Gongwer*. I have in my never-nicotine-stained fingers the Monday, October 12 *MIRS* that declares, “Governor Granholm, ‘Stimulus has meant 36,000 Michigan jobs created or retained.’” Thirty-six thousand Michigan jobs retained or created because of the expenditure of federal stimulus dollars. Hmm.

The next day, *Gongwer* reports on October 13, “First stimulus report, almost 20,000 jobs saved or created.” Hmm. We lost 16,000 jobs overnight. No wonder I have consistently voted against what I call the apparitional dollar.

There is no such thing as a federal stimulus dollar. It is my granddaughter’s money that we are spending today because we won’t change the way we do business. Thirty-six thousand jobs we lost overnight, hmm. I wonder if the Governor will be on *Fox News* this coming Sunday to report that.

By unanimous consent the Senate returned to the order of

Third Reading of Bills

Senator Cropsey moved that the rules be suspended and that the following bill, now on the order of Third Reading of Bills, be placed on its immediate passage:

House Bill No. 4922

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

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

House Bill No. 4191

House Bill No. 4629

House Bill No. 5120

House Bill No. 4922

The motion prevailed.

Senator Cropsey moved that Senator Birkholz be excused from the balance of today’s session.

The motion prevailed.

Senator Thomas moved that Senator Basham be temporarily excused from the balance of today’s session.

The motion prevailed.

The following bill was read a third time:

House Bill No. 4191, entitled

A bill to amend 1967 PA 281, entitled “Income tax act of 1967,” by amending section 30 (MCL 206.30), as amended by 2007 PA 154.

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. 536

Yeas—35

Allen	Clarke	Jansen	Richardville
Anderson	Cropsey	Jelinek	Sanborn
Barcia	Garcia	Kahn	Scott
Bishop	George	Kuipers	Stamas
Brater	Gilbert	McManus	Switalski
Brown	Gleason	Olshove	Thomas
Cassis	Hardiman	Pappageorge	Van Woerkom
Cherry	Hunter	Patterson	Whitmer
Clark-Coleman	Jacobs	Prusi	

Nays—0

Excused—2

Basham	Birkholz
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Not Voting—0

In The Chair: Richardville

The question being on concurring in the committee recommendation to give the bill immediate effect, The recommendation was concurred in, 2/3 of the members serving voting therefor.

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

“An act to meet deficiencies in state funds by providing for the imposition, levy, computation, collection, assessment, and enforcement by lien and otherwise of taxes on or measured by net income; to prescribe the manner and time of making reports and paying the taxes, and the functions of public officers and others as to the taxes; to permit the inspection of the records of taxpayers; to provide for interest and penalties on unpaid taxes; to provide exemptions, credits and refunds of the taxes; to prescribe penalties for the violation of this act; to provide an appropriation; and to repeal certain acts and parts of acts.”

The Senate agreed to the full title.

The following bill was read a third time:

House Bill No. 4629, entitled

A bill to amend 2007 PA 36, entitled “Michigan business tax act,” by amending section 201 (MCL 208.1201), as amended by 2008 PA 168.

The question being on the passage of the bill,

Senator Cassis offered the following substitute:

Substitute (S-2).

The substitute was adopted, a majority of the members serving voting therefor.

The question being on the passage of the bill,

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

Roll Call No. 537

Yeas—35

Allen	Clarke	Jansen	Richardville
Anderson	Cropsey	Jelinek	Sanborn
Barcia	Garcia	Kahn	Scott
Bishop	George	Kuipers	Stamas
Brater	Gilbert	McManus	Switalski
Brown	Gleason	Olshove	Thomas
Cassis	Hardiman	Pappageorge	Van Woerkom
Cherry	Hunter	Patterson	Whitmer
Clark-Coleman	Jacobs	Prusi	

Nays—0

Excused—2

Basham	Birkholz
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Not Voting—0

In The Chair: Richardville

The question being on concurring in the committee recommendation to give the bill immediate effect,

The recommendation was concurred in, 2/3 of the members serving voting therefor.

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

A bill to amend 2007 PA 36, entitled “An act to meet deficiencies in state funds by providing for the imposition, levy, computation, collection, assessment, reporting, payment, and enforcement of taxes on certain commercial, business, and financial activities; to prescribe the powers and duties of public officers and state departments; to provide for the inspection of certain taxpayer records; to provide for interest and penalties; to provide exemptions, credits, and refunds; to provide for the disposition of funds; to provide for the interrelation of this act with other acts; and to make appropriations,” by amending section 201 (MCL 208.1201), as amended by 2009 PA 105.

The amendment to the title was adopted.

The Senate agreed to the title as amended.

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

House Bill No. 5120

The motion prevailed.

Senator Thomas moved that Senator Clarke be excused from the balance of today’s session. The motion prevailed.

Senator Basham entered the Senate Chamber.

The following bill was read a third time:

House Bill No. 4922, entitled

A bill to amend 1995 PA 24, entitled “Michigan economic growth authority act,” by amending section 8 (MCL 207.808), as amended by 2008 PA 257.

The question being on the passage of the bill, Senator Cassis offered the following substitute: Substitute (S-8).

The substitute was adopted, a majority of the members serving voting therefor.

The question being on the passage of the bill,

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

Roll Call No. 538

Yeas—32

Anderson	Cropsey	Jansen	Prusi
Barcia	Garcia	Jelinek	Richardville
Basham	George	Kahn	Sanborn
Bishop	Gilbert	Kuipers	Scott
Brater	Gleason	McManus	Stamas
Brown	Hardiman	Olshove	Switalski
Cassis	Hunter	Pappageorge	Van Woerkom
Clark-Coleman	Jacobs	Patterson	Whitmer

Nays—3

Allen	Cherry	Thomas
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Excused—2

Birkholz	Clarke
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Not Voting—0

In The Chair: Richardville

Senator Cropsey moved that the bill be given immediate effect.

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

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

“An act to promote economic growth and job creation within this state; to create and regulate the Michigan economic growth authority; to prescribe the powers and duties of the authority and of state and local officials; to assess and collect a fee; to approve certain plans and the use of certain funds; and to provide qualifications for and determine eligibility for tax credits and other incentives for authorized businesses and for qualified taxpayers,”.

The Senate agreed to the full title.

Senator Cassis asked and was granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Cassis' first statement is as follow:

Again, for a complete description, House Bill No. 4922 and the substitute that we will speak to is the fourth bill in the complete package of MEGA reform, transparency, and accountability. Importantly, this package represents a compromise negotiated between the Senate, the House, the Michigan Economic Development Corporation, and the Michigan Department of Treasury, and I want to thank publicly all parties for the important roles they played.

House Bill No. 4922 addresses the Michigan Economic Development Corporation's request for additional credits in this current year by allowing the MEGA board to approve up to an additional 85 years of credits on top of the 400 that they have already used this year. To use these additional credits, the MEGA board would have to meet and vote to cancel unused credits at a ratio of 1.5 to 1.

The (S-8) substitute before you makes the following changes: For 2010, it would limit the credits that could be approved by the MEGA board to 300 years of credits annually plus an additional 85 credit years. The 85 credit years will be calculated on the percentage of MEGA credits granted. The substitute also includes language that redefines a full-time employee as someone who works 30 hours per week. This is very narrowly worded and would only apply to a major company, Federal Mogul.

Importantly, the language requiring that approval be granted for additional 25 high-tech MEGA credits must make a showing and prove that at least 10 percent of its operating expenses were devoted to research and development in the two years preceding receiving the MEGA credit. After all, it is referred to as a high-tech MEGA credit, and we think in terms of overall accountability that is embedded throughout the package, it is important to have a measure of proof that a company is devoting part of their important operations to high-tech, as the credit is given for such activity.

Finally, the substitute includes language that redefines full-time hours, as I already mentioned. At this point, I urge passage of the House Bill No. 4922, and send it back for concurrence.

Senator Cassis' second statement is as follows:

As chair of the Senate Finance Committee, I would like to point out and clarify a misunderstanding previously articulated by our Senator from Traverse City. Frankly, we carved this and worked it out very carefully so that the high-tech designation of 10 percent applies only to 25 high-tech MEGA credits. It does not at all affect 50 more that encompasses the rural nature of providing for MEGA credits. I am sure this is a misunderstanding, but we worked very hard to make sure it did not affect rural areas in our communities that are competing for MEGA credits.

I urge, therefore, support for this entire substitute.

Committee Reports

The Committee on Judiciary reported

Senate Bill No. 760, entitled

A bill to amend 1953 PA 232, entitled "Corrections code of 1953," by amending section 33b (MCL 791.233b), as amended by 1994 PA 217.

With the recommendation that the bill pass.

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

Wayne Kuipers
Chairperson

To Report Out:

Yeas: Senators Kuipers, Cropsy, Patterson, Stamas and Clarke

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Judiciary reported

Senate Bill No. 761, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 16i of chapter XVII (MCL 777.16i), as amended by 2006 PA 574.

With the recommendation that the bill pass.

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

Wayne Kuipers
Chairperson

To Report Out:

Yeas: Senators Kuipers, Cropsey, Patterson, Stamas and Clarke

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Judiciary reported

Senate Bill No. 762, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by repealing section 171 (MCL 750.171).

With the recommendation that the bill pass.

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

Wayne Kuipers

Chairperson

To Report Out:

Yeas: Senators Kuipers, Cropsey, Patterson, Stamas and Clarke

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Judiciary reported

Senate Bill No. 763, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by repealing section 11 (MCL 750.11).

With the recommendation that the bill pass.

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

Wayne Kuipers

Chairperson

To Report Out:

Yeas: Senators Kuipers, Cropsey, Patterson, Stamas and Clarke

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Judiciary reported

Senate Bill No. 764, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 16a of chapter XVII (MCL 777.16a), as amended by 2004 PA 216.

With the recommendation that the bill pass.

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

Wayne Kuipers

Chairperson

To Report Out:

Yeas: Senators Kuipers, Cropsey, Patterson, Stamas and Clarke

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Judiciary reported

Senate Bill No. 765, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by repealing chapter LXVI (MCL 750.442 to 752.447).

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.

Wayne Kuipers

Chairperson

To Report Out:

Yeas: Senators Kuipers, Cropsey, Patterson, Stamas and Clarke

Nays: None

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

The Committee on Judiciary reported

Senate Bill No. 766, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 16v of chapter XVII (MCL 777.16v), as amended by 2008 PA 412.

With the recommendation that the bill pass.

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

Wayne Kuipers
Chairperson

To Report Out:

Yeas: Senators Kuipers, Cropsey, Patterson, Stamas and Clarke

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Judiciary reported

Senate Bill No. 767, entitled

A bill to amend 2004 PA 403, entitled "Michigan unarmed combat regulatory act," by amending section 22 (MCL 338.3622), as amended by 2007 PA 196.

With the recommendation that the bill pass.

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

Wayne Kuipers
Chairperson

To Report Out:

Yeas: Senators Kuipers, Cropsey, Patterson, Stamas and Clarke

Nays: None

The bill was referred to the Committee of the Whole.

COMMITTEE ATTENDANCE REPORT

The Committee on Judiciary submitted the following:

Meeting held on Tuesday, October 13, 2009, at 1:00 p.m., Room 210, Farnum Building

Present: Senators Kuipers (C), Cropsey, Patterson, Stamas and Clarke

Excused: Senators Sanborn, Whitmer and Basham

COMMITTEE ATTENDANCE REPORT

The Conference Committee on K-12, School Aid (HB 4447) submitted the following:

Meeting held on Friday, October 9, 2009, at 11:45 a.m., House Appropriations Room, 3rd Floor, Capitol Building

Present: Senators Jelinek, Brown and Switalski

COMMITTEE ATTENDANCE REPORT

The Subcommittee on Federal Stimulus Oversight submitted the following:

Meeting held on Wednesday, October 14, 2009, at 9:00 a.m., Senate Appropriations Room, 3rd Floor, Capitol Building

Present: Senators Jelinek (C), Gilbert, Pappageorge, Kahn, Jansen, Switalski, Cherry and Clark-Coleman

COMMITTEE ATTENDANCE REPORT

The Committee on Campaign and Election Oversight submitted the following:

Meeting held on Wednesday, October 14, 2009, at 12:00 noon, Room 405, Capitol Building

Present: Senators McManus (C), Brown, Jansen, Jacobs and Olshove

Scheduled Meetings**Appropriations -****Subcommittees -**

Community Health Department - Tuesday, October 20, 1:00 p.m., Senate Hearing Room, Ground Floor, Boji Tower (373-2768)

Federal Stimulus Oversight - Wednesday, October 21, 2:30 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-2768)

Higher Education - Wednesday, October 21, 9:15 a.m., Rooms 402 and 403, Capitol Building (373-2768)

Legislative Commission on Statutory Mandates - Monday, October 26, 9:00 a.m., Waterford Room, 1st Floor, Oakland County Executive Office Building, 2100 North Pontiac Lake Road, Waterford (373-0212)

Legislative Retirement Board of Trustees - Thursday, December 3, 2:00 p.m., Room H-252, Capitol Building (373-0575)

Senator Cropsey moved that the Senate adjourn.
The motion prevailed, the time being 11:02 a.m.

The President pro tempore, Senator Richardville, declared the Senate adjourned until Tuesday, October 20, 2009, at 10:00 a.m.

CAROL MOREY VIVENTI
Secretary of the Senate