



MEMBERS:
SEN GILBERT,
MAJORITY VICE CHAIR
SEN. JANSEN
SEN. PAPPAGEORGE
SEN. JACOBS, MINORITY VICE CHAIR
SEN. WHITMER
SEN. CHERRY

STATE OF MICHIGAN
THE SENATE
FINANCE COMMITTEE
SENATOR NANCY CASSIS
CHAIR

905 FARNUM
P.O. BOX 30036
LANSING, MICHIGAN 48909-7536
PHONE: (517) 373-1758
FAX: (517) 373-0938

MINUTES

A meeting of the Senate Committee on Finance was held on Tuesday, January 27, 2009, at 1:08 p.m. in the Farnum Building, Room 110.

Committee members present: Cassis (C), Gilbert (Maj. VC), Jansen, Pappageorge, Jacobs (Min VC), Whitmer, Cherry.

Committee members absent: None

Senator Cassis gave opening remarks regarding the order of business:

- Organizational meeting – adopt rules of the committee
- SB 1 Sen. Jansen Michigan business tax; rate; surcharge on business tax; phase out.
- SB70 Sen. Cassis Taxation; other; administration; require of the department of treasury with certain house and senate committee chairs.
- SB71 Sen. Cassis Economic development; Michigan economic growth authority; reporting requirements for Michigan economic growth authority; modify.
- SB72 Sen. Cassis Michigan business tax; credit; listing of tax credits available under the Michigan business tax act and report on the operation and effectiveness of each credit; require treasury to provide.

Senator Pappageorge moved, and Senator Jansen seconded, that the committee adopt the rules of the committee.

Yeas: Cassis, Gilbert, Jansen, Pappageorge, Jacobs, Whitmer, Cherry

Nays: None

The motion prevailed

Senator Jansen, bill sponsor of SB1 gave brief statements explaining the bill. Senator Jansen then answered questions from committee members.

Dennis Echelbarger representing Echelbarger, Hime, Baugh, Tamm CPA's gave verbal testimony in support of SB1. Mr. Echelbarger then answered questions from committee members.

Mike Johnston representing the Michigan Manufactures Association gave verbal testimony in support of SB1. Mr. Johnston then answered questions from committee members.

Amanda Rodaz representing the National Federation of Independent Businesses gave verbal testimony in support of SB1. Mrs. Radaz then answered questions from committee members.

Jim Holcomb representing the Michigan Chamber of Commerce gave verbal testimony in support of SB1. Mr. Holcomb then answered questions from committee members.

SENATE FINANCE COMMITTEE

January 27, 2009

Page – 2

Brad Williams representing the Detroit Regional Chamber of Commerce gave verbal testimony in support of SB1. Mr. Williams then answered questions from committee members.

The following individuals submitted testimony cards in favor of SB1 but did not wish to speak:

Bonnie Bochniak representing the Michigan Business & Professionals Assn and the Michigan Food & Beverage Assn.

Michelle Brant representing the Michigan Association of Realtors

Linda Gobler representing the Michigan Grocer's Association

Matt Groen representing the Michigan Restaurant Association

Chris Fisher representing the Associated Builders & Contractors

Andy Johnston representing the Grand Rapids Area Chamber of Commerce

Andy Johnston representing the West Michigan Chamber Coalition

Eric Rule representing Michigan Retailers Association

Jamie Callahan representing the Traverse City Area Chamber of Commerce

Jamie Callahan representing the Northwest Michigan Regional Chamber Alliance

Colin Ford representing the Michigan State Medical Society

Scott Hummel representing the Michigan Association of Insurance Agents

Todd Anderson representing the Small Business Association of Michigan

Senator Jansen, sponsor of an amendment to SB1 gave brief statements explaining the amendment. Senator Jansen then answered questions from committee members.

Senators Jansen, Jacobs, Pappageorge, Cherry Whitmer, and Cassis gave brief statements explaining their position on SB1.

Senator Jansen moved, and Senator Pappageorge seconded, that the committee adopt the Jansen amendment to SB1.

Yeas: Cassis, Gilbert, Jansen, Pappageorge

Nays: Cherry

Pass: Jacobs, Whitmer

The motion prevailed

Senator Jansen motioned, and Senator Pappageorge seconded, that the committee report SB1 as amended as a clean substitute with favorable recommendation and Immediate Effect.

Yeas: Cassis, Gilbert, Jansen, Pappageorge

Nays: Jacobs, Whitmer, Cherry

The motion prevailed.

Senator Cassis, bill sponsor of SB70 gave brief statements explaining the bill. Senator Cassis then answered questions from committee members.

Scott Schragger representing the Michigan Department of Treasury gave verbal testimony opposed to SB70, SB71, and SB72 as written. Mr. Schragger then answered questions from committee members.

Senator Cassis read into record written testimony from Dr. Gary Wolfram, Professor of Economics and Public Policy Hillsdale College in support of SB70, SB71, and SB72.

SENATE FINANCE COMMITTEE

January 27, 2009

Page – 3

The following individuals submitted testimony cards in favor of SB70, SB71, and SB72 but did not wish to speak:

Eric Rule representing the Michigan Retailers Association
Amanda Rodaz representing the National Federation of Independent Businesses
Chris Fisher representing the Associated Builders & Contractors
Michelle Brant representing the Michigan Association of Realtors
Brad Williams representing the Detroit Regional Chamber of Commerce
Jim Holcomb representing the Michigan Chamber of Commerce

Senator Gilbert moved, and Senator Pappageorge seconded, that the committee report SB70 with favorable recommendation and Immediate Effect.

Yeas: Cassis, Gilbert, Jansen, Pappageorge, Jacobs, Whitmer, Cherry

Nays: None

The motion prevailed

Senator Cassis, bill sponsor of SB71 gave brief statements explaining the bill. Senator Cassis then answered questions from committee members.

Ken Braun representing the Mackinac Center for Public Policy gave verbal testimony neutral to SB71. Mr. Braun then answered questions from committee members.

Senator Jansen moved, and Senator Gilbert seconded, that the committee report SB71 with favorable recommendation and Immediate Effect.

Yeas: Cassis, Gilbert, Jansen, Pappageorge, Jacobs, Whitmer, Cherry

Nays: None

The motion prevailed

Senator Cassis, bill sponsor of SB72 gave brief statements explaining the bill. Senator Cassis then answered questions from committee members.

Senator Jacobs moved, and Senator Pappageorge seconded, that the committee report SB72 with favorable recommendation and Immediate Effect.

Yeas: Cassis, Gilbert, Jansen, Pappageorge, Jacobs, Whitmer, Cherry

Nays: None

The motion prevailed

Senator Cassis adjourned the meeting without objection at 2:45 p.m.

Respectfully submitted,

Committee Clerk

Chairperson

Date approved by the Committee