



MEMBERS:
SENATOR HILDENBRAND,
MAJORITY VICE CHAIRMAN
SENATOR NOFS
SENATOR EMMONS
SENATOR HANSEN
SENATOR HUNTER,
MINORITY VICE CHAIRMAN
SENATOR SMITH

STATE OF MICHIGAN
THE SENATE
ECONOMIC DEVELOPMENT
COMMITTEE
SENATOR MIKE KOWALL
CHAIRMAN

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DRAFT MINUTES

A meeting of the Senate Economic Development Committee was held on Wednesday, December 5, 2012, at 1:30 p.m. in Room 402/403 of the Capitol Building.

The meeting was called to order at 1:36 p.m.

Members Present: Senators Kowall (C), Hildenbrand, Nofs, Emmons, Hansen
Members Excused: Senators Hunter and Smith

Senator Kowall called the meeting to order.

Senator Kowall announced the order of business:

- HB 6007 (Rep. Huuki) Property tax; exemptions; property taxes; exempt certain mineral producing property.
- HB 6008 (Rep. Huuki) Taxation; severance; nonferrous metallic minerals extraction severance tax; enact.
- HB 6009 (Rep. Huuki) Natural resources; mining; rural development fund; create.
- HB 6010 (Rep. Huuki) Sales tax; exemptions; tax exemption for certain mining property; provide for.
- HB 6011 (Rep. Huuki) Use tax; exemptions; tax exemption for certain mining property; provide for.
- HB 6012 (Rep. Huuki) Income tax; exemptions; tax exemption for certain mining entities; provide for.
- HB 5926 (Rep. Jacobsen) Economic development; Michigan strategic fund; community revitalization program; clarify eligible investment definition, allow multiple applicants, and revise disbursement schedule.
- HB 5557 (Rep. O'Brien) Economic development; downtown development authorities; capture of certain taxes; modify.
- HB 5245 (Rep. Schmidt) Taxation; hotel-motel tax; collection of interest on delinquent assessment; modify.
- HB 4641 (Rep. Womack) Economic development; neighborhood enterprise zones; population requirements for eligibility; revise.
- HB 4726 (Rep. Pscholka) - Employment security; benefits; volunteer firefighters compensation; exclude from unemployment benefit calculation.
- SB 1012 (Sen. Marleau)--Worker's compensation; benefits; criteria to determine employee and independent contractor status for worker's compensation coverage in trucking and messenger courier industries; establish.
- SB 421 (Sen. Bieda) Trade; hazardous substances; addition of bittering agent to antifreeze; require.

Senator Kowall placed before the committee House Bills 6007-6012 (Rep. Huuki). Representative Huuki and Senator Casperson explained the bills to committee members and answered questions.

The following persons testified on House Bills 6007-6012 and answered questions from committee members:

- Director Keith Cragh, Department of Natural Resources, & Director Jamie Clover Adams, Department of Agriculture & Rural Development—Support
- Joseph Derocha, Humboldt Township—Oppose
- Scott Erbsich, County of Marquette—Oppose as written
- Stephen Adamini, Marquette County—Oppose as written
- Gerald Corkin, Marquette County—Oppose as written
- Jacki Lykins, Marquette County—Oppose as written
- Jack Van Coevering, Marquette County—Oppose as written

The following persons submitted cards, but did not wish to testify, on House Bills 6007-6012:

- Chris Meyer, representing Rio Tinto—Support
- Tim Lynott, Hudbay—Support
- Dave Anderson, Orvana—Support
- Matt Kurta, Gogebic Community College—Support
- Rebecca Park, Michigan Farm Bureau—Support
- Tricia Kinley, Michigan Chamber of Commerce—Support

Senator Hildenbrand motioned, supported by Senator Nofs, to report with recommendation House Bill 6007.

Yeas: Kowall, Hildenbrand, Nofs, Emmons, Hansen

Nays: None

Pass: None

Excused: Hunter, Smith

The motion prevailed.

Senator Nofs motioned to recommend immediate effect to House Bill 6007.

Without objection, the motion prevailed by unanimous voice.

Senator Hildenbrand motioned, supported by Senator Hansen, to report with recommendation House Bill 6008.

Yeas: Kowall, Hildenbrand, Nofs, Emmons, Hansen

Nays: None

Pass: None

Excused: Hunter, Smith

The motion prevailed.

Senator Kowall motioned to recommend immediate effect to House Bill 6008.

Without objection, the motion prevailed by unanimous voice.

Senator Hansen motioned, supported by Senator Emmons, to report with recommendation House Bill 6009.

Yeas: Kowall, Hildenbrand, Nofs, Emmons, Hansen

Nays: None

Pass: None

Excused: Hunter, Smith

The motion prevailed.

Senator Kowall motioned to recommend immediate effect to House Bill 6009.

Without objection, the motion prevailed by unanimous voice.

Senator Emmons motioned, supported by Senator Nofs, to report with recommendation House Bill 6010.

Yeas: Kowall, Hildenbrand, Nofs, Emmons, Hansen

Nays: None

Pass: None

Excused: Hunter, Smith

The motion prevailed.

Senator Kowall motioned to recommend immediate effect to House Bill 6010.

Without objection, the motion prevailed by unanimous voice.

Senator Hansen motioned, supported by Senator Emmons, to report with recommendation House Bill 6011.

Yeas: Kowall, Hildenbrand, Nofs, Emmons, Hansen

Nays: None

Pass: None

Excused: Hunter, Smith

The motion prevailed.

Senator Kowall motioned to recommend immediate effect to House Bill 6011.

Without objection, the motion prevailed by unanimous voice.

Senator Nofs motioned, supported by Senator Hildenbrand, to report with recommendation House Bill 6012.

Yeas: Kowall, Hildenbrand, Nofs, Emmons, Hansen

Nays: None

Pass: None

Excused: Hunter, Smith

The motion prevailed.

Senator Kowall motioned to recommend immediate effect to House Bill 6012.

Without objection, the motion prevailed by unanimous voice.

Senator Kowall placed before the committee House Bill 5926 (Rep. Jacobsen), House Bill 5557 (Rep. O'Brien), House Bill 5245 (Rep. W. Schmidt), and House Bill 4641 (Rep. Womack).

James McBryde from the Michigan Economic Development Corporation, explained the bills to committee members and answered questions.

Jamie Clover Adams from the Department of Agriculture and Rural Development gave additional comments on House Bill 5926.

The following persons testified on House Bill 5557 and answered questions from committee members:

- Savannah Fratrack, staff to Rep. O'Brien—Support
- Jerome Kisscarni, City of Kalamazoo—Support

The following persons submitted cards, but did not wish to testify, on House Bill 5557:

- Peter Anastor, Snyder Administration—Support

The following persons submitted cards, but did not wish to testify, on House Bill 5245:

- Peter Anastor, Snyder Administration—Support
- Lisa Shanley, Michigan Association of Convention & Visitors Bureau—Support
- Bret Marr, Detroit Metro Convention & Visitors Bureau—Support

Senator Hildenbrand offered a substitute (S-2) to House Bill 5245 and explained his substitute.

Senator Hildenbrand motioned, supported by Senator Nofs, to adopt the S-2 Substitute to House Bill 5245.

Yeas: Kowall, Hildenbrand, Nofs, Emmons, Hansen

Nays: None

Pass: None

Excused: Hunter, Smith

The motion prevailed.

The following persons submitted cards, but did not wish to testify, on House Bill 4641:

- Kenneth Cole, City of Detroit—Support
- Peter Anastor, Snyder Administration—Support

Senator Hildenbrand motioned, supported by Senator Hansen, to report with recommendation House Bill 5926.

Yeas: Kowall, Hildenbrand, Nofs, Emmons, Hansen

Nays: None

Pass: None

Excused: Hunter, Smith

The motion prevailed.

Senator Kowall motioned to recommend immediate effect to House Bill 5926.

Without objection, the motion prevailed by unanimous voice.

Senator Emmons motioned, supported by Senator Nofs, to report with recommendation House Bill 5557.

Yeas: Kowall, Hildenbrand, Nofs, Emmons, Hansen

Nays: None

Pass: None

Excused: Hunter, Smith

The motion prevailed.

Senator Kowall motioned to recommend immediate effect to House Bill 5557.

Without objection, the motion prevailed by unanimous voice.

Senator Hildenbrand motioned, supported by Senator Nofs, to report with recommendation House Bill 5245 (S-2).

Yeas: Kowall, Hildenbrand, Nofs, Emmons, Hansen

Nays: None

Pass: None

Excused: Hunter, Smith

The motion prevailed.

Senator Kowall motioned to recommend immediate effect to House Bill 5245 (S-2).

Without objection, the motion prevailed by unanimous voice.

Senator Emmons motioned, supported by Senator Nofs, to report with recommendation House Bill 4641.

Yeas: Kowall, Hildenbrand, Nofs, Emmons, Hansen

Nays: None

Pass: None

Excused: Hunter, Smith

The motion prevailed.

Senator Kowall motioned to recommend immediate effect to House Bill 4641.
Without objection, the motion prevailed by unanimous voice.

Senator Kowall placed before the committee House Bill 4726 (Rep. Pscholka). Senator Kowall announced that there was a substitute before the committee.

The following persons testified on House Bill 4726 and answered questions from committee members:

- Bill Anderson, Michigan Townships Association—Support

Senator Nofs motioned, supported by Senator Hildenbrand, to adopt the S-2 Substitute to House Bill 4726.

Yeas: Kowall, Hildenbrand, Nofs, Emmons, Hansen

Nays: None

Pass: None

Excused: Hunter, Smith

The motion prevailed.

Senator Hansen motioned, supported by Senator Emmons, to report with recommendation House Bill 4726 (S-2).

Yeas: Kowall, Hildenbrand, Nofs, Emmons, Hansen

Nays: None

Pass: None

Excused: Hunter, Smith

The motion prevailed.

Senator Kowall motioned to recommend immediate effect to House Bill 4726 (S-2).

Without objection, the motion prevailed by unanimous voice.

Senator Kowall announced that Senate bill 1012 (Sen. Marleau) was being pulled from the agenda for the day's meeting.

Senator Kowall placed before the committee Senate Bill 421 (Sen. Bieda). Senator Bieda explained the bill to committee members and answered questions.

The following persons testified on Senate Bill 421 and answered questions from committee members:

- Jill Fritz, Humane Society of the United States---Support

Senator Emmons motioned, supported by Senator Hansen, to report with recommendation Senate Bill 421.

Yeas: Kowall, Hildenbrand, Nofs, Emmons, Hansen

Nays: None

Pass: None

Excused: Hunter, Smith

The motion prevailed.

Senator Kowall motioned to recommend immediate effect to Senate Bill 421.

Without objection, the motion prevailed by unanimous voice.

Senator Hansen, supported by Senator Nofes, motioned that the committee adopt the minutes of September 27, 2012. Without objection, the motion prevailed by unanimous voice.

Senator Hansen, supported by Senator Nofs, motioned to excuse absent members. Without objection, absent members were excused.

Senator Hansen asked to explain to the committee House Bill 5135 (Rep. Hughes), which was re-referred to the committee from the Committee on Education earlier in the day, which may be heard before the committee at a future date.

Being no further business before the committee, Senator Kowall adjourned the meeting without objection at 2:58 p.m.

Date approved by the Committee:

**An audio recording of this committee meeting is available upon request for a minimal fee.