

**No. 24**  
**JOURNAL OF THE SENATE**

---

Senate Chamber, Lansing, Wednesday, March 19, 1997.

10:00 a.m.

The Senate was called to order by the President pro tempore, Senator John J.H. Schwarz.

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

Bennett—present  
Berryman—present  
Bouchard—present  
Bullard—present  
Byrum—present  
Carl—present  
Cherry—present  
Cisky—present  
Conroy—present  
DeBeaussaert—present  
DeGrow—present  
Dingell—present  
Dunaskiss—present

Emmons—present  
Gast—present  
Geake—present  
Gougeon—present  
Hart—present  
Hoffman—present  
Koivisto—present  
McManus—present  
Miller—present  
North—present  
O'Brien—present  
Peters—present  
Posthumus—present

Rogers—present  
Schuette—present  
Schwarz—present  
Shugars—present  
A. Smith—present  
V. Smith—present  
Stallings—present  
Steil—present  
Stille—present  
Van Regenmorter—present  
Vaughn—present  
Young—excused

Reverend Paul Lowley of the United Methodist Church in Ludington offered the following invocation:

We pledge allegiance to You, almighty God. To You belong all realms, all power and glory. Yet You delegate the power of civil leadership to Your creatures; to us gathered in this assembly, in this land called the United States and in this place called Michigan. You've given us the freedom to establish our own government, to oversee the welfare of our land and the many people it supports. This morning we pray that as elected Senators we would be worthy of this sacred trust which has brought us to this high office. Lord God, hear our confession. It's not easy for us to lead such a diverse people whose many wants cannot all be satisfied. Lord God, it's not easy to discern which actions will produce the greatest good for the greatest number. It's not easy to withstand the huge personal temptations that come with power. It's not easy to bear the extraordinary pressures in the complex world of political decision-making. Therefore, we pray. Assist us, Your public servants, O God of all people. Bless us with stamina. Bless us with the toughness and the integrity to fight for what is right and honorable in Your sight. We pray for each other. Grant this Senate a succession of lawmakers who have learned how to do justice, how to love mercy and how to walk humbly before You. Protect each and every one of us from losing our wits, losing our nerve or our souls in the heady atmosphere of state government, so that we, the people, may flourish in a land blessed with liberty, peace and justice. Yours be the glory, O God, the honor and power, now and forever more. Amen.

### Motions and Communications

Senator DeGrow moved that rule 3.902 be suspended to allow the guests of Senator Schuette and the Secretary of the Senate admittance to the Senate floor.

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

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

The motion prevailed.

Senator Emmons' statement is as follows:

Beth Primeau, who is a Page here in the body, will be leaving us. It hardly seems like it's been a year that Beth's been here. We all want to thank Beth for her wonderful service to us while she's been here. She's been efficient, smiling and always willing and able to help us do the things that need to get done in this Chamber. We will miss Beth a great deal and wish her Godspeed in her continued studies. I would like my colleagues to thank Beth for her service.

Senator Conroy's statement is as follows:

I also wanted to say something about Beth Primeau as well. She was sponsored by Senator Emmons—quite nice of her to do that—but she served us all. I, for one, am appreciative of the service she's provided. In addition to that, having our children all grown up and gone away, I didn't have anybody to nag, so I kind of worked on Beth a little bit and found out a little bit about her goals. Her goals are worthy and worthwhile. She is going to be a top achiever. We're going to be very proud of her after she leaves, as well as the work she's done with us. There are big things ahead for her. She's got high academic goals and we think she's going to meet them. We thank you, Beth, for the work you've done.

Senator Posthumus entered the Senate Chamber.

Senator V. Smith moved that Senator Stallings be temporarily excused from today's session.

The motion prevailed.

Senator V. Smith moved that Senator Young be excused from today's session.

The motion prevailed.

The following communications were received:

Department of State

#### Administrative Rules Notices of Filing

February 18, 1997

In accordance with the provisions of Section 46(1) of Act 306, Public Acts of 1969, as amended, and Executive Order 1995-6 this is to advise you that the Office of Regulatory Reform, Legal Division filed at 11:54 a.m. this date, administrative rule (97-2-9) for the Department of Consumer and Industry Services, Bureau of Safety and Regulation, entitled "General Industry Safety Standards," effective 15 days hereafter.

February 18, 1997

In accordance with the provisions of Section 46(1) of Act 306, Public Acts of 1969, as amended, and Executive Order 1995-6 this is to advise you that the Office of Regulatory Reform, Legal Division filed at 11:56 a.m. this date, administrative rule (97-2-10) for the Department of Consumer and Industry Services, Bureau of Safety and Regulation, entitled "Construction Safety Standards - Part 19, Tools," effective 15 days hereafter.

Sincerely,  
Candice S. Miller  
Secretary of State  
Helen Kruger, Supervisor  
Office of the Great Seal

The communications were referred to the Secretary for record.

The Secretary announced that the following House bills were received in the Senate and filed on Tuesday, March 18:  
**House Bill Nos. 4206 4356 4392 4393 4394**

The Secretary announced the printing and placement in the members' files on Tuesday, March 18 of:  
**House Bill Nos. 4499 4500 4501 4502 4503 4504 4505 4506 4507 4508 4509**  
**House Joint Resolution N**

### Messages from the Governor

The following message from the Governor was received and read:

#### EXECUTIVE ORDER No. 1997 - 3

#### **Michigan Department of Management and Budget Michigan Department of Environmental Quality Michigan Environmental Science Board Environmental Administration Division**

#### **Executive Reorganization**

Whereas, Article V, Section 2 of the Constitution of the State of Michigan of 1963 empowers the Governor to make changes in the organization of the Executive Branch or in the assignment of functions among its units which he considers necessary for efficient administration; and

Whereas, the Michigan Environmental Science Board was created by Executive Order 1992-19 as an independent autonomous entity within the Department of Management and Budget to provide the Governor and others within state government with scientific and technical expertise and advise on important matters relating to environmental protection and natural resource management; and

Whereas, the Environmental Administration Division is an administrative body created within the Department of Management and Budget to provide administrative support to the Michigan Environmental Science Board; and

Whereas, the Department of Management and Budget is the state department which focuses upon financial and administrative issues affecting the State of Michigan, while the Department of Environmental Quality is the state department focused upon state-wide environmental issues; and

Whereas, it is necessary in the interests of efficient administration and effectiveness of government to effect changes in the organization of the Executive Branch of government.

Now, Therefore, I, John Engler, Governor of the State of Michigan, pursuant to the powers vested in me by the Constitution of the State of Michigan of 1963 and the laws of the State of Michigan, do hereby order the following:

1. All the authority, powers, duties, functions, and responsibilities of the Michigan Environmental Science Board, created under Executive Order 1992-19, are hereby transferred from the Department of Management and Budget to the Department of Environmental Quality by a Type I transfer, as defined by Section 3 of Act No. 380 of the Public Acts of 1965, as amended, being Section 16.103 of the Michigan Compiled Laws.

2. All the authority, powers, duties, functions, and responsibilities of the Environmental Administration Division are hereby transferred from the Department of Management and Budget to the Department of Environmental Quality by a Type II transfer, as defined by Section 3 of Act No. 380 of the Public Acts of 1965, as amended, being Section 16.103 of the Michigan Compiled Laws.

3. All records, personnel, property and unexpended balances of appropriations, allocations and other funds used, held, employed, available or to be made available to the Michigan Environmental Science Board and the Environmental Administration Division are hereby transferred from the Department of Management and Budget to the Department of Environmental Quality.

4. The Department of Management and Budget shall determine and authorize the most efficient manner possible for handling financial transactions and records in the state's financial management system for the remainder of the fiscal year.

5. The Director of the Department of Environmental Quality shall provide executive direction and supervision for the implementation of the transfers.

6. The assigned functions of the Environmental Administration Division shall be administered under the direction and supervision of the Director of the Department of Environmental Quality, and all related prescribed functions of rulemaking, licensing and registration, including the prescription of rules, regulations, standards and adjudications, shall be transferred to the Director of the Department of Environmental Quality consistent with this Executive Order.

7. The Director of the Department of Environmental Quality may perform a duty or exercise a power conferred by law or this Order upon the Director of the Michigan Department of Environmental Quality at the time and to the extent the duty or power is delegated to the Director of the Department of Environmental Quality by law or by this Order.

8. The Director of the Department of Environmental Quality may, by written instrument, delegate a duty or a power conferred by law or this Order, and the person to whom such duty or power is so delegated may perform such duty or exercise such power at the time and to the extent that such duty or power is delegated by the Director.

9. Decisions made by the Director of the Department of Environmental Quality or persons whom the Director has lawfully delegated decision-making authority, pursuant to this Order, shall be final when reduced to writing and delivered to all affected persons unless otherwise provided by law.

10. The Director of the Department of Environmental Quality shall make internal organizational changes as may be administratively necessary to complete the realignment of responsibilities prescribed by this Order.

11. The Directors of the Department of Environmental Quality and the Department of Management and Budget shall immediately initiate coordination to facilitate the transfers and develop a memorandum of record identifying any pending settlements, issues of compliance with applicable federal and state laws and regulations, or other obligations to be resolved by the Department of Environmental Quality.

12. All rules, orders, contracts and agreements related to the assigned functions lawfully adopted prior to the effective date of this Order shall continue to be effective until revised, amended or repealed.

13. Any suit, action, or other proceeding lawfully commenced by, against or before any entity affected by this Order shall not abate by reason of the taking effect of this Order. Any suit, action, or other proceeding may be maintained by, against or before the appropriate successor of any entity affected by this Order.

In fulfillment of the requirement of Article V, Section 2, of the Constitution of the State of Michigan of 1963, the provisions of this Executive Order shall become effective sixty (60) days after filing.

[SEAL]

Given under my hand and the Great Seal of the State of Michigan this 14th day of March, in the Year of our Lord, One Thousand Nine Hundred Ninety-seven.

John Engler  
Governor

By the Governor:  
Candice S. Miller  
Secretary of State

The Executive Order was referred to the Committee on Government Operations.

The following message from the Governor was received and read:

March 14, 1997

There is herewith presented for consideration and confirmation by the Senate, the following appointment to office:

**Michigan Municipal Bond Authority Board of Trustees**

Mr. Robert L. Filka, 171 Branson Bay Drive, Mason, Michigan 48854, county of Ingham, as a member representing state officials, succeeding Mr. James M. Storey of Saginaw, who has resigned, for a term expiring at the pleasure of the Governor.

Sincerely,  
John Engler  
Governor

The appointment was referred to the Committee on Government Operations.

Senator DeGrow moved that the rules be suspended and that the following bills, now on Committee Reports, be placed on the General Orders calendar for consideration today:

**Senate Bill No. 302**

**Senate Bill No. 225**

**Senate Bill No. 303**

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

By unanimous consent the Senate proceeded to the order of  
**General Orders**

Senator DeGrow 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 Schwarz, designated Senator Schuette as Chairperson.

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

**Senate Bill No. 302, entitled**

A bill to make appropriations for the state transportation department for the fiscal year ending September 30, 1997; to adjust certain appropriations for the fiscal year ending September 30, 1997; and to provide for the expenditure of the appropriations.

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:

**Senate Bill No. 303, entitled**

A bill to amend 1951 PA 51, entitled "An act to provide for the classification of all public roads, streets, and highways in this state, and for the revision of that classification and for additions to and deletions from each classification; to set up and establish the Michigan transportation fund; to provide for the deposits in the Michigan transportation fund of specific taxes on motor vehicles and motor vehicle fuels; to provide for the allocation of funds from the Michigan transportation fund and the use and administration of the fund for transportation purposes; to set up and establish the truck safety fund; to provide for the allocation of funds from the truck safety fund and administration of the fund for truck safety purposes; to set up and establish the Michigan truck safety commission; to provide for the continuing review of transportation needs within the state; to authorize the state transportation commission, counties, cities, and villages to borrow money, issue bonds, and make pledges of funds for transportation purposes; to authorize counties to advance funds for the payment of deficiencies necessary for the payment of bonds issued under this act; to provide for the limitations, payment, retirement, and security of the bonds and pledges; to provide for appropriations and tax levies by counties and townships for county roads; to authorize contributions by townships for county roads; to provide for the establishment and administration of the state trunk line fund, critical bridge fund, comprehensive transportation fund, and certain other funds; to provide for the deposits in the state trunk line fund, critical bridge fund, comprehensive transportation fund, and certain other funds of money raised by specific taxes and fees; to provide for definitions of public transportation functions and criteria; to define the purposes for which Michigan transportation funds may be allocated; to provide for Michigan transportation fund grants; to provide for review and approval of transportation programs; to provide for submission of annual legislative requests and reports; to provide for the establishment and functions of certain advisory entities; to provide for conditions for grants; to provide for the issuance of bonds and notes for transportation purposes; to provide for the powers and duties of certain state and local agencies and officials; to provide for the making of loans for transportation purposes by the state transportation department and for the receipt and repayment by local units and agencies of those loans from certain specified sources; and to repeal certain acts and parts of acts," by amending sections 10, 11, 11c, 12, 13, and 15 (MCL 247.660, 247.661, 247.661c, 247.662, 247.663, and 247.665), sections 10, 11, 11c, 12, and 13 as amended by 1993 PA 294 and section 15 as amended by 1982 PA 438, and by adding section 1g.

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. 225, entitled**

A bill to amend 1984 PA 431, entitled "The management and budget act," (MCL 18.1101 to 18.1594) by adding section 353d.

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. 174, entitled**

A bill to make appropriations for the department of transportation and certain transportation purposes for the fiscal year ending September 30, 1998; to provide for the imposition of fees; to provide for reports; to create certain funds; to prescribe certain powers and duties of certain state departments and officials; and to provide for the expenditure of the appropriations.

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.

During the Committee of the Whole, Senator Stallings entered the Senate Chamber.

By unanimous consent the Senate returned to the order of  
**Third Reading of Bills**

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

**Senate Bill No. 164**

**Senate Bill No. 171**

**Senate Bill No. 169**

The motion prevailed.

The following bill was read a third time:

**Senate Bill No. 164, entitled**

A bill to make appropriations for the department of agriculture for the fiscal year ending September 30, 1998; to provide for the expenditure of the appropriations; to create funds; to provide for the imposition of fees; to require reports, audits, and plans; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by certain state agencies.

The question being on the passage of the bill,

Senator A. Smith offered the following amendment:

1. Amend page 16, following line 25, by inserting:

“Sec. 216. The department shall receive and retain copies of all reports and memoranda funded from section 101 appropriations.”.

The question being on the adoption of the amendment,

Senator V. Smith requested the yeas and nays.

The yeas and nays were ordered, 1/5 of the members present voting therefor.

The question being on the adoption of the amendment,

Senator Gast offered the following amendment to the amendment:

1. Amend Senator A. Smith’s amendment, page 16, following line 25, after “reports” by striking out “and memoranda”.

The amendment to the amendment was adopted.

The question being on the adoption of the amendment, as amended,

The amendment was adopted, a majority of the members serving voting therefor, as follows:

**Roll Call No. 51**

**Yeas—37**

Bennett  
Berryman  
Bouchard  
Bullard  
Byrum  
Carl  
Cherry  
Cisky  
Conroy  
DeBeaussaert

DeGrow  
Dingell  
Dunaskiss  
Emmons  
Gast  
Geake  
Gougeon  
Hart  
Hoffman

Koivisto  
McManus  
Miller  
North  
O’Brien  
Peters  
Posthumus  
Rogers  
Schuette

Schwarz  
Shugars  
Smith, A.  
Smith, V.  
Stallings  
Steil  
Stille  
Van Regenmorter  
Vaughn

**Nays—0**

**Excused—1**

Young

**Not Voting—0**

In The Chair: Schwarz

Senator Cherry offered the following amendment:

1. Amend page 16, following line 25, by inserting:

“Sec. 217. (1) At least 14 days prior to entering into any personal service contracts or contracts with independent contractors in an amount in excess of \$5,000.00, the department shall notify the members of the senate and house appropriations committees of the proposed contract. The notification shall include the proposed total dollar amount of the contract, the primary source of funding, the duration of the contract, the type of service, the name of the entity with which the state is entering into the contract (vendor), whether the vendor is an early retiree or the business vendor’s owners are early retirees, whether the contract was competitively bid, and the standard under which the contract was approved.

(2) The department shall report before the fifteenth of each month to the members of the senate and house appropriations committees and the fiscal agencies the following information for each contract for services approved by the department appointing authority or preauthorized by the state personnel director:

(a) The name of the individual or entity with whom the state agency is contracting.

(b) The dollar amount, source of financing for the contract, the duration of the contract and the standard under which the contract was approved.

(c) Whether the contract was competitively bid.

(d) The name of any individual providing contractual services to the state, whether as a special personal service employee or as the employee of an independent contractor who has retired under sections 19a and 19f of 1943 PA 240, MCL 38.19a and 38.19f.

(3) Within 60 days after book closing for FY 1996-97, the department shall file a report with the members of the senate and house appropriations committees which includes:

(a) The total expenditures for contractual services approved by the department for FY 1996-97.

(b) The total expenditures from the state’s accounting system coded as contractual services for FY 1996-97.

(c) The number of full time classified positions that correspond to the expenditures for contractual personal services. This shall be calculated by using the state accounting system total expenditure for contractual services and dividing the total expenditures by the average salary including fringes for the average state employee.”.

The question being on the adoption of the amendment,

Senator V. Smith requested the yeas and nays.

The yeas and nays were ordered, 1/5 of the members present voting therefor.

The amendment was not adopted, a majority of the members serving not voting therefor, as follows:

**Roll Call No. 52**

**Yeas—15**

Berryman	DeBeaussaert	Miller	Smith, V.
Byrum	Dingell	O’Brien	Stallings
Cherry	Hart	Peters	Vaughn
Conroy	Koivisto	Smith, A.	

**Nays—22**

Bennett	Dunaskiss	McManus	Schwarz
Bouchard	Emmons	North	Shugars
Bullard	Gast	Posthumus	Steil
Carl	Geake	Rogers	Stille
Cisky	Gougeon	Schuette	Van Regenmorter
DeGrow	Hoffman		

**Excused—1**

Young

**Not Voting—0**

In The Chair: Schwarz

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

The motion prevailed.

Senator Cherry's first statement is as follows:

I rise to urge adoption of my amendment. It does several things. First of all, it requires prior notification of state agency contracts in over \$5,000.00. Second, it requires monthly reporting of those contracts and then thirdly, it requires an annual fiscal year report of the department's total approved contract amounts compared with the accounting systems' record of payments for contracts. The annual report would also include a calculation for the number of equivalent FTEs that were hired by the departments contracts.

There are several reasons for offering this amendment. One is that, I'm sure as I am and you are aware, a number of questionable contracts have occurred in the fairly recent past. One, obviously, being the issue over the Department of Natural Resources' park reservations. Another recently being the personal service contracts issued for court reporting among administrative judges, where in fact we find that the contracts awarded significantly exceed the cost of our own employees doing that and in fact are well above the going market rate for such practices. We have, in the past, had a couple checks in place to prevent that from happening. One is a civil service rule that required personal service contracts in excess of \$5,000.00 be approved by the Civil Service Commission. The Civil Service Commission is in the process of revising those rules and lifting that dollar amount up significantly. So we find that while we have been having some problems with some of our contracts, rules and regulations are actually becoming less strict which in fact encourages future problems. I suspect what we have seen in the last couple of months to be simply the tip of the iceberg in terms of the future. As we go into early retirement—and I understand right now more than a thousand employees across state government have indicated an interest in early retirement—as they go into that early retirement and departments begin to feel the pinch of that reduced staff, we will see them going out more and more for personal service contracts.

It is important then that we not loosen that process, but that we maintain our scrutiny over personal service contracts. This amendment would do that. It would simply maintain the status quo as it pertains to the civil service approval process for these contracts. On that basis, I would urge its adoption.

Senator Cherry's second statement is as follows:

I rise to support my own amendment and point out to my colleague, the good Senator from the 36th District—he may not have been aware of it because I suspect it's not a major practice of the department—but it's my indication that at the minimum there were \$413,000 in personal contractual services in the 1995-96 fiscal year. I guess that probably in comparison to the overall budget may not be significant. But I would think that for many of the households that we represent, \$418,000 is a pretty hefty amount. It would seem to me that the potential for that amount growing under early retirement is significant, particularly if you look at some of the professional specialties that are practiced in the areas of agriculture and veterinary services are the ones that comes to mind, it seems to me it would be appropriate to maintain the \$5,000 threshold that the Department of Civil Service currently uses. On that basis, again, I would argue that we need to adopt the amendment. It is not accurate that the Department of Agriculture does not engage in these contract services.

Senator Cherry's third statement is as follows:

I think the good Senator just pointed out the need for this amendment—the need to have some pretty clear reporting about what's going on. I think the Senator should know that I did make an error. I did say "\$413,000." In reality, Senator, it was \$567,000. You need to know that is the amount of money that we have records of payment for. When the Auditor General looks at all of state government, he finds that there's about \$700 million that is unaccounted for by this system. So we find that there's a big leak somewhere. What we need to know, I think, is to get right on the top of this problem. Agriculture may be a minor contributor to this overall picture. Still, we're talking about in excess of \$500,000 in contracts that we know of. That's not to talk about those we don't. I don't want to suggest as I raise this amendment that somehow these contracts are inappropriate.

It would seem to me that given the great history of Michigan State University, for the state Department of Agriculture to contract with them is probably a wise thing to do. A number of those contracts may be very good ones. But, what we do have, I believe, is an obligation to stay on top of what's happening. I think it's appropriate for us to ask that these contracts receive scrutiny, that short of a diminutive amount they receive agency approval and that those contracts be reported to us, so that next year as we debate this budget, we don't have to do it in confusion. We will have that information at our fingertips so that we can explain how much for what purpose and to whom. I think that's the least we can ask for and expect. I would urge adoption of the amendment.

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. 53****Yeas—26**

Bennett	Dunaskiss	McManus	Schwarz
Bouchard	Emmons	Miller	Shugars
Bullard	Gast	North	Smith, A.
Byrum	Geake	Posthumus	Steil
Carl	Gougeon	Rogers	Stille
Cisky	Hoffman	Schuetter	Van Regenmorter
DeGrow	Koivisto		

**Nays—11**

Berryman	DeBeaussaert	O'Brien	Stallings
Cherry	Dingell	Peters	Vaughn
Conroy	Hart	Smith, V.	

**Excused—1**

Young

**Not Voting—0**

In The Chair: Schwarz

The Senate agreed to the title of the bill.

**Protests**

Senators Berryman, Cherry, Dingell, Hart and Conroy, under their constitutional right of protest (Art. IV, Sec. 18), protested against the passage of Senate Bill No. 164.

Senator Berryman's statement is as follows:

Because of the failure to adopt the Cherry amendment, I think Senator Cherry brings up a very very good point, I don't know how any of us can go back to our constituents and say that the Auditor General has pointed out somewhere in the area of \$700 million in a difference between contracts that did not go through the regular bid process and the amounts that were awarded. Senator Cherry's amendment was saying we're not going to just eliminate personnel through early retirement and then give private contracts, and having maybe those individuals make more money than they made when they were working. I think it's a very legitimate budgetary move to put a notification to the House and Senate Appropriations Committees, so our representatives on both sides of the aisle can feel very comfortable going home and defending those contracts.

If there's nothing wrong with those contracts, why don't we know who they were awarded to and for the amount? Again, I think the good Senator brought up an excellent point: that the Governor ran on that issue. He was right. The people want to know where their tax dollars are going and when you defeated that amendment, you're telling your constituents back home that because it's your Governor you don't care. He can do that. If he was saying the previous Governor was wrong in doing it, then he's wrong in doing it and you're wrong for not holding this administration and those departments accountable to where those dollars are being spent. For those reasons I voted "no."

Senator Cherry's statement, in which Senators Hart and Conroy concurred, is as follows:

I voted "no" on this budget, not because I had problems with how the budget distributed funds within the Department of Agriculture. The good Senator from the 36th District always does an outstanding job in putting that budget together. I think, without the amendment that I offered, we unfortunately see a hole opening up, not just in this budget, but I will say other budgets that come before us as well, which would potentially waste a great deal of money. To put it simply,

if we allow personal contracts to be let without any kind of significant scrutiny, without any report to the Legislature, without any tools to oversee that process we will find ourselves spending more for state services than we spent prior to the approval of early retirement. That, I think, is a critical issue when we look at the condition of Michigan roads. The good Senator from the 19th District talked, I think fairly eloquently, early on General Orders about how it's his intent to strive with every possible means to put together the funds to repair roads, fill our potholes, without a tax increase. Here with the amendment that I offered was a golden opportunity to shut the door on some waste that we could, in fact, reinvest in our roads. That is what this amendment was all about and I am disappointed we did not adopt it.

My "no" vote is not a commentary on how the good Chairman of the subcommittee dealt with the budget. It is, I think, a commentary on very basic principles of responsible representation and that is to know how you are spending your money, how you're contracting, who you're contracting with and what are you contracting for. Because the amendment was not adopted, I felt compelled to vote "no."

Senator Dingell's statement is as follows:

I voted "no" on the agriculture budget. It occurs to me perhaps pork is more appropriate in the agriculture budget than any other place, but my constituents won't stand for it anywhere.

By unanimous consent the Senate returned to the order of

#### **Motions and Communications**

Senator DeGrow moved that the rules be suspended and that the following resolutions, now on Committee Reports, be placed on the order of Resolutions for consideration today:

**Senate Concurrent Resolution No. 16**

**Senate Concurrent Resolution No. 17**

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

By unanimous consent the Senate proceeded to the order of

#### **Resolutions**

**Senate Concurrent Resolution No. 16.**

A concurrent resolution to make an urgent request to the Congress of the United States to release to the states, including Michigan, all federal road funding due under the gas tax formula.

The question being on the adoption of the concurrent resolution,

The concurrent resolution was adopted.

**Senate Concurrent Resolution No. 17.**

A concurrent resolution to request the Congress of the United States to return to Michigan all of the revenue from the federal gas tax collected in Michigan.

The question being on the adoption of the concurrent resolution,

The concurrent resolution was adopted.

The question was placed on the adoption of the following resolution consent calendar:

**Senate Resolution No. 33**

**Senate Resolution No. 35**

The resolution consent calendar was adopted.

Senator Byrum and DeBeaussaert offered the following resolution:

**Senate Resolution No. 33.**

A resolution in honor of Tim Nichols.

Whereas, It is indeed a great pleasure to join with the Michigan State Building and Construction Trades Council to honor Tim Nichols and to thank him for his many years of service to the people of Michigan; and

Whereas, In 1979, Mr. Nichols was Sergeant-at-Arms for Iron Workers Local 25 and was elected as the Business Agent for that local three times. Mr. Nichols was elected Secretary/Treasurer of the Southeast Michigan Building Trades Council in 1983. He was elected President of the Michigan State Building and Construction Trades Council in 1985. Three years later, he was appointed Secretary/Treasurer of that organization and remained in that post until this year; and

Whereas, Mr. Nichols has served the people of Michigan as a member of the Michigan Department of Labor's Construction Safety Standards Commission. He contributed to the state through civic affairs; he serves on the Board of Directors for Sparrow Hospital and for the Lansing Community College Foundation. Mr. Nichols is also Chair of the Michigan Apprenticeship Steering Committee and Vice-Chair of the Strategic Education Program. In addition to these committees, he is a member of the Executive Council of the Michigan State AFL-CIO and the Democratic State Central Committee; and

Whereas, After eighteen years of service in his local Iron Workers Union and in the Building Trades Councils, Mr. Nichols will be assuming a position as Director of External Relations for the Building and Construction Trades Department in Washington D.C. On April 5, friends and colleagues will gather at the Lansing Center at a testimonial dinner in his honor; now, therefore, be it

Resolved by the Senate, That tribute be accorded to salute Tim Nichols for his service to the State of Michigan and his efforts to build a better Michigan for all working families; and be it further

Resolved, That a copy of this resolution be transmitted to Mr. Nichols as evidence of our gratitude and admiration.

Senators Conroy, Vaughn, Cherry, A. Smith, Dingell, Berryman, Koivisto, Miller, Stallings, O'Brien, V. Smith, Hart, Schwarz, Peters and Hoffman were named co-sponsors of the resolution.

Senator North offered the following resolution:

**Senate Resolution No. 35.**

A resolution commemorating March 20, 1997, as Farmer Appreciation Day in the state of Michigan.

Whereas, During the week long celebration of National Agriculture Week, March 16 through March 22, the members of the Michigan Senate are proud to commemorate March 20, 1997, as Farmer Appreciation Day in the state of Michigan; and

Whereas, March 20, 1997, is Michigan Farmer Appreciation Day, in recognition of our state's farm families as agriculture and environmental stewards; and

Whereas, Michigan farmers utilize the most modern technologies, methods and equipment to provide the safest, most abundant food supply, while preserving our natural resources; and

Whereas, The food and agriculture industry is Michigan's second largest industry, contributing over \$37 billion to our state's economy; and

Whereas, Michigan farmers produce over 125 commodities, and lead the nation in the production of nine commercial crops, including several varieties of dry beans, blueberries, tart cherries, cucumbers for pickles, geraniums, hanging flowers and Easter lilies; and

Whereas, Michigan ranks fifth or higher in the production of 29 other crops, making Michigan one of the leading states in agricultural diversity; now, therefore, be it

Resolved by the Senate, That we commemorate March 20, 1997, as Michigan Farmer Appreciation Day; and be it further

Resolved, That a copy of this resolution be transmitted to the organizers of this event as evidence of our respect and appreciation.

Senators Shugars, Schwarz, Bouchard, Schuette, Posthumus, Vaughn, Hoffman, Emmons and Stille were named co-sponsors of the resolution.

By unanimous consent the Senate returned to the order of

**Introduction and Referral of Bills**

Senators Stille, North, Hoffman and McManus introduced

**Senate Bill No. 313, entitled**

A bill to amend 1976 PA 451, entitled "The revised school code," (MCL 380.1 to 380.1852) by adding section 1311a.

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

Senators Schuette and Miller introduced

**Senate Bill No. 314, entitled**

A bill to regulate political activity; to regulate certain candidates and state officials; to require certain financial statements and reports; to prescribe the powers and duties of certain state departments, state and local officials and employees, and other persons; and to prescribe penalties and provide remedies.

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

**House Bill No. 4206, entitled**

A bill to amend 1978 PA 368, entitled "Public health code," (MCL 333.1101 to 333.25211) by adding part 139. 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 Agriculture and Forestry.

**House Bill No. 4356, entitled**

A bill to amend 1927 PA 150, entitled "An act to prescribe a privilege tax for the use of the public highways by owners and drivers of motor vehicles by imposing a specific tax upon the sale or use, within the state of Michigan, of motor fuel; to prescribe the manner and the time of paying this tax and the duties of officials and others respecting the payment and collection of this tax; to provide for the licensing of wholesale distributors, certain retail dealers, exporters, and suppliers as defined in this act; to fix a time when this tax and interest and penalties thereon become a lien upon the property of persons, firms, partnerships, associations, or corporations, subject to the payment of this tax; to provide for the enforcement of this lien; to permit the inspection and testing of petroleum products; to provide for certain exemptions and refunds and for the disposition of the proceeds of this tax; and to prescribe penalties for the violation of this act," by amending section 12 (MCL 207.112), as amended by 1996 PA 56.

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 Appropriations.

**House Bill No. 4392, entitled**

A bill to amend 1978 PA 368, entitled "Public health code," (MCL 333.1101 to 333.25211) by adding section 21052a.

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 Health Policy and Senior Citizens.

**House Bill No. 4393, entitled**

A bill to amend 1980 PA 350, entitled "The nonprofit health care corporation reform act," (MCL 550.1101 to 550.1704) by adding section 501b.

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 Health Policy and Senior Citizens.

**House Bill No. 4394, entitled**

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," (MCL 500.100 to 500.8302) by adding section 3407a.

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 Health Policy and Senior Citizens.

### Committee Reports

The Committee on Appropriations reported

**Senate Bill No. 277, entitled**

A bill to amend 1964 PA 183, entitled "An act creating the state building authority with power to acquire, construct, furnish, equip, own, improve, enlarge, operate, mortgage, and maintain facilities for the use of the state or any of its agencies; to act as a developer or co-owner of facilities as a condominium project for the use of the state or any of its agencies; to authorize the execution of leases pertaining to those facilities by the building authority with the state or any of its agencies; to authorize the payment of true rentals by the state; to provide for the issuance of revenue obligations by the building authority to be paid from the true rentals to be paid by the state and other resources and security provided for and pledged by the building authority; to authorize the creation of funds; to authorize the conveyance of lands by the state or any of its agencies for the purposes authorized in this act; to authorize the appointment of a trustee for bondholders; to permit remedies for the benefit of parties in interest; to provide for other powers and duties of the authority; and to provide for other matters in relation to the authority and its obligations," by amending section 8 (MCL 830.418), as amended by 1994 PA 252.

With the recommendation that the bill pass.

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

Harry Gast  
Chairperson

## To Report Out:

Yeas: Senators Gast, Geake, Cisky, DeGrow, McManus, Schwarz, Steil, Conroy, Koivisto, A. Smith, O'Brien and Vaughn

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Appropriations reported

**Senate Concurrent Resolution No. 13.**

A concurrent resolution approving a general form of lease between the State of Michigan and the State Building Authority, relative to furnishings and equipment to be leased to the State of Michigan.

(For text of resolution, see Senate Journal No. 17, p. 184.)

With the recommendation that the concurrent resolution be adopted.

Harry Gast  
Chairperson

## To Report Out:

Yeas: Senators Gast, Geake, Cisky, DeGrow, McManus, Schwarz, Steil, Conroy, Koivisto, A. Smith, O'Brien and Vaughn

Nays: None

The concurrent resolution was placed on the order of Resolutions.

The Committee on Appropriations reported

**Senate Concurrent Resolution No. 16.**

A concurrent resolution to make an urgent request to the Congress of the United States to release to the states, including Michigan, all federal road funding due under the gas tax formula.

(For text of resolution, see Senate Journal No. 20, p. 236.)

With the recommendation that the concurrent resolution be adopted.

Harry Gast  
Chairperson

## To Report Out:

Yeas: Senators Gast, Geake, Cisky, DeGrow, Hoffman, McManus, Schwarz, Steil, Conroy, Koivisto, A. Smith, O'Brien and Vaughn

Nays: None

The concurrent resolution was placed on the order of Resolutions.

The Committee on Appropriations reported

**Senate Concurrent Resolution No. 17.**

A concurrent resolution to request the Congress of the United States to return to Michigan all of the revenue from the federal gas tax collected in Michigan.

(For text of resolution, see Senate Journal No. 20, p. 237.)

With the recommendation that the concurrent resolution be adopted.

Harry Gast  
Chairperson

## To Report Out:

Yeas: Senators Gast, Geake, Cisky, DeGrow, Hoffman, McManus, Schwarz, Steil, Conroy, Koivisto, A. Smith, O'Brien and Vaughn

Nays: None

The concurrent resolution was placed on the order of Resolutions.

The Committee on Appropriations reported

**Senate Bill No. 302, entitled**

A bill to make appropriations for the state transportation department for the fiscal year ending September 30, 1997; to adjust certain appropriations for the fiscal year ending September 30, 1997; and to provide for the expenditure of the appropriations.

With the recommendation that the bill pass.

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

Harry Gast  
Chairperson

## To Report Out:

Yeas: Senators Gast, Geake, DeGrow, Hoffman, McManus, Schwarz, Steil, Conroy, Koivisto and Vaughn

Nays: Senators Cisky, A. Smith and O'Brien

The bill was referred to the Committee of the Whole.

The Committee on Appropriations reported

**Senate Bill No. 225, entitled**

A bill to amend 1984 PA 431, entitled "The management and budget act," (MCL 18.1101 to 18.1594) by adding section 353d.

With the recommendation that the substitute (S-2) be adopted and that the bill then pass.

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

Harry Gast  
Chairperson

## To Report Out:

Yeas: Senators Gast, Geake, Cisky, DeGrow, Hoffman, McManus, Schwarz, Steil, Conroy, Koivisto, A. Smith, O'Brien and Vaughn

Nays: None

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

The Committee on Appropriations reported

**Senate Bill No. 303, entitled**

A bill to amend 1951 PA 51, entitled "An act to provide for the classification of all public roads, streets, and highways in this state, and for the revision of that classification and for additions to and deletions from each classification; to set up and establish the Michigan transportation fund; to provide for the deposits in the Michigan transportation fund of specific taxes on motor vehicles and motor vehicle fuels; to provide for the allocation of funds from the Michigan transportation fund and the use and administration of the fund for transportation purposes; to set up and establish the truck safety fund; to provide for the allocation of funds from the truck safety fund and administration of the fund for truck safety purposes; to set up and establish the Michigan truck safety commission; to provide for the continuing review of transportation needs within the state; to authorize the state transportation commission, counties, cities, and villages to borrow money, issue bonds, and make pledges of funds for transportation purposes; to authorize counties to advance funds for the payment of deficiencies necessary for the payment of bonds issued under this act; to provide for the limitations, payment, retirement, and security of the bonds and pledges; to provide for appropriations and tax levies by counties and townships for county roads; to authorize contributions by townships for county roads; to provide for the establishment and administration of the state trunk line fund, critical bridge fund, comprehensive transportation fund, and certain other funds; to provide for the deposits in the state trunk line fund, critical bridge fund, comprehensive transportation fund, and certain other funds of money raised by specific taxes and fees; to provide for definitions of public transportation functions and criteria; to define the purposes for which Michigan transportation funds may be allocated; to provide for Michigan transportation fund grants; to provide for review and approval of transportation programs; to provide for submission of annual legislative requests and reports; to provide for the establishment and functions of certain advisory entities; to provide for conditions for grants; to provide for the issuance of bonds and notes for transportation purposes; to provide for the powers and duties of certain state and local agencies and officials; to provide for the making of loans for transportation purposes by the state transportation department and for the receipt and repayment by local units and agencies of those loans from certain specified sources; and to repeal certain acts and parts of acts," by amending sections 10, 11, 11c, 12, 13, and 15 (MCL 247.660, 247.661, 247.661c, 247.662, 247.663, and 247.665), sections 10, 11, 11c, 12, and 13 as amended by 1993 PA 294 and section 15 as amended by 1982 PA 438, and by adding section 1g.

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.

Harry Gast  
Chairperson

## To Report Out:

Yeas: Senators Gast, Geake, Cisky, DeGrow, Hoffman, McManus, Schwarz, Steil, Conroy, Koivisto, A. Smith, O'Brien and Vaughn

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 Appropriations submits the following:

Meeting held on Tuesday, March 18, 1997, at 2:00 p.m., Senate Appropriations Room, Capitol Building

Present: Senators Gast, Geake, Cisky, DeGrow, Hoffman, McManus, Schwarz, Steil, Conroy, Koivisto, A. Smith, O'Brien and Vaughn

## COMMITTEE ATTENDANCE REPORT

The Committee on Health Policy and Senior Citizens submits the following:

Meeting held on Monday, March 17, 1997, at 10:00 a.m., University of Michigan, Union Building, Kuenzel Room, 530 South State Street, Ann Arbor, Michigan

Present: Senators Shugars and Byrum

Excused: Senators Schwarz, Bullard and O'Brien

**Scheduled Meetings**

Michigan Sentencing Commission - Tuesday, March 25, at 3:00 p.m., Kellogg Center, South Harrison Road, East Lansing (3-7676).

Michigan Sentencing Commission - A-C Crime Groups Committee - Tuesday, March 25, at 1:30 p.m., Kellogg Center, South Harrison Road, East Lansing (3-7676).

Michigan Sentencing Commission - Crime Classification Committee - Tuesday, March 25, at 1:00 p.m., Kellogg Center, South Harrison Road, East Lansing (3-7676).

Senator DeGrow moved that the Senate adjourn.

The motion prevailed, the time being 12:15 p.m.

The President pro tempore, Senator Schwarz, declared the Senate adjourned until Thursday, March 20, at 10:00 a.m.

CAROL MOREY VIVENTI  
Secretary of the Senate.

