

No. 62

JOURNAL OF THE SENATE

Senate Chamber, Lansing, Wednesday, September 16, 1998.

10:00 a.m.

The Senate was called to order by the President, Lieutenant Governor Connie B. Binsfeld.

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
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
Jaye—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
Steil—present
Stille—present
Van Regenmorter—present
Vaughn—present
Young—present

Senator Dale L. Shugars of the 21st District offered the following invocation:

Heavenly Father, creator of all the universe and all things, we thank You for all our blessings. In a time that a friend has had difficulties with his health, we ask that You give him strength, and his family and his friends, to fight the bacteria that has taken his body. Give him the strength of spirit so he sees You and understands You and understands what's going on.

We ask that You help our families, moms and dads, as school has begun again; that as we get up in the morning and all the demands that we have on our lives and on our jobs; that we take time to be patient and to have wisdom to do what's best for our children. We know that they're under a lot of pressure trying to get ready for school and trying to do everything from brushing their teeth and combing their hair and doing their homework and getting to school on time and all that. But can you be with the parents, the moms, who are under a tremendous amount of pressure. Give them the wisdom and the understanding and the patience. Help us today as we finish the last two weeks and the budget. Give us strength to do what's best for the people we represent. In Your name we pray. Amen.

Motions and Communications

Senator Koivisto entered the Senate Chamber.

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

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

Senator DeGrow moved that Senators Bullard, Gast and Posthumus be temporarily excused from today's session. The motion prevailed.

The Secretary announced the printing and placement in the members' files on Tuesday, September 15 of:
Senate Bill Nos. 1263 1264 1265 1266

Messages from the Governor

The following message from the Governor was received and read:

September 15, 1998

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

Michigan Historical Commission

The Honorable Robert J. Danhof, 528 Lake Drive, Holland, Michigan 49423, county of Ottawa, as a member representing the general public, succeeding himself, for a term expiring on May 21, 2004.

Sincerely,
John Engler
Governor

The appointment was referred to the Committee on Government Operations.

By unanimous consent the Senate returned to the order of

Motions and Communications

House Bill No. 5723, entitled

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," (MCL 500.100 to 500.8302) by adding section 2111f.

(The motion was made to discharge the committee from consideration of the bill on June 10 and consideration postponed. See Senate Journal No. 54, p. 1250.)

The question being on the motion to discharge the Committee on Financial Services from further consideration of the bill,

Senator V. Smith withdrew his motion.

Senator Bullard entered the Senate Chamber.

By unanimous consent the Senate proceeded to the order of

Introduction and Referral of Bills

Senators Jaye and Schwarz introduced

Senate Bill No. 1267, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," (MCL 324.101 to 324.90106) by adding section 504a.

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

Senators Jaye, Stille, Schwarz and North introduced

Senate Bill No. 1268, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 30509 (MCL 324.30509), as added by 1995 PA 59.

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

Senators Jaye, North and Stille introduced

Senate Bill No. 1269, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by amending sections 136b, 317, 520b, 520c, and 520d (MCL 750.136b, 750.317, 750.520b, 750.520c, and 750.520d), section 136b as added by 1988 PA 251, sections 520b and 520c as amended by 1983 PA 158, and section 520d as amended by 1996 PA 155.

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

Senators Jaye, Stille, Schwarz and North introduced

Senate Bill No. 1270, entitled

A bill to amend 1968 PA 15, entitled "Correctional industries act," by amending the title and sections 2 and 7 (MCL 800.322 and 800.327), as amended by 1996 PA 537, and by adding section 7b.

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

Senators Cisky, McManus, North, Hoffman, Rogers, Schwarz, Stille, Shugars, Byrum and Conroy introduced

Senate Bill No. 1271, entitled

A bill to amend 1975 PA 238, entitled "Child protection law," by amending section 7 (MCL 722.627), as amended by 1997 PA 168.

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

Senators Cisky, McManus, North, Hoffman, Rogers, Schwarz, Stille, Shugars, Byrum and Conroy introduced

Senate Bill No. 1272, entitled

A bill to require disclosures of criminal convictions and certain conduct by certain persons; to require criminal history checks of certain persons; to require disclosure of child abuse or child neglect records of certain persons; to regulate the employment of certain persons; to prescribe the powers and duties and limit the liability of certain state and local departments and agencies; and to prescribe penalties.

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

Senators A. Smith, DeBeaussaert, Peters, Byrum, Cherry and Hart introduced

Senate Bill No. 1273, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," (MCL 206.1 to 206.532) by adding section 266.

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

Senators Rogers, Shugars, McManus, Emmons, Van Regenmorter, Schuette, Geake, Stille, Steil and Cisky introduced

Senate Bill No. 1274, entitled

A bill to amend 1936 (Ex Sess) PA 1, entitled "Michigan employment security act," by amending section 29 (MCL 421.29), as amended by 1995 PA 25.

The bill was read a first and second time by title and referred to the Committee on Human Resources, Labor and Veterans Affairs.

Senators Miller, DeBeaussaert, Peters, A. Smith, Young and Hart introduced

Senate Bill No. 1275, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending sections 520 and 522 (MCL 206.520 and 206.522), section 520 as amended by 1995 PA 245 and section 522 as amended by 1996 PA 55.

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

Senators Miller, DeBeaussaert, Peters, A. Smith, Young and Hart introduced

Senate Bill No. 1276, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending section 273 (MCL 206.273), as added by 1988 PA 516.

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

Senator Stille introduced

Senate Bill No. 1277, entitled

A bill to amend 1943 PA 183, entitled "County zoning act," (MCL 125.201 to 125.240) by adding section 1b.

The bill was read a first and second time by title and referred to the Committee on Farming, Agribusiness and Food Systems.

Senator Stille introduced

Senate Bill No. 1278, entitled

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending section 27a (MCL 211.27a), as amended by 1996 PA 476.

The bill was read a first and second time by title and referred to the Committee on Farming, Agribusiness and Food Systems.

Senators Schuette, Shugars and Jaye introduced

Senate Bill No. 1279, entitled

A bill to amend 1969 PA 306, entitled "Administrative procedures act of 1969," by amending section 3 (MCL 24.203), as amended by 1988 PA 277.

The bill was read a first and second time by title and referred to the Committee on Hunting, Fishing and Forestry.

Senators Bouchard and Van Regenmorter introduced

Senate Bill No. 1280, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending section 30 (MCL 206.30), as amended by 1997 PA 86; and to repeal acts and parts of acts.

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

Senator Bouchard introduced

Senate Bill No. 1281, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," (MCL 750.1 to 750.568) by adding section 42c.

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

Senators McManus, North, Gougeon, Emmons and Schuette introduced

Senate Bill No. 1282, entitled

A bill to amend 1988 PA 466, entitled "Animal industry act of 1987," by amending sections 3, 8, 9, 14, 30a, and 30b (MCL 287.703, 287.708, 287.709, 287.714, 287.730a, and 287.730b), sections 3, 9, 14, 30a, and 30b as amended by 1996 PA 369 and section 8 as amended by 1994 PA 41, and by adding section 30c.

The bill was read a first and second time by title and referred to the Committee on Farming, Agribusiness and Food Systems.

Senator McManus introduced

Senate Bill No. 1283, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 36505 (MCL 324.36505), as added by 1995 PA 59, and by adding section 40107a.

The bill was read a first and second time by title and referred to the Committee on Hunting, Fishing and Forestry.

Senators McManus, Bennett, Gougeon, Schwarz, Koivisto and Byrum introduced

Senate Bill No. 1284, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 43902 and 43905 (MCL 324.43902 and 324.43905), as added by 1995 PA 57.

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

Senators McManus, Bennett, Gougeon, Schwarz, Koivisto and Byrum introduced

Senate Bill No. 1285, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," (MCL 257.1 to 257.923) by adding section 811d.

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

Senator Schuette introduced

Senate Bill No. 1286, entitled

A bill to amend 1975 PA 228, entitled "Single business tax act," by amending section 38d (MCL 208.38d), as added by 1996 PA 382.

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

Senators Hart, Cherry and Conroy introduced

Senate Bill No. 1287, entitled

A bill to amend 1978 PA 642, entitled "Revised probate code," by amending sections 454 and 501a (MCL 700.454 and 700.501a), section 454 as amended by 1988 PA 398 and section 501a as added by 1994 PA 327.

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

Senators Hart, Cherry and Conroy introduced

Senate Bill No. 1288, entitled

A bill to amend 1925 PA 285, entitled "An act to provide for the organization, operation, and supervision of credit unions; to provide for the conversion of a state credit union into a federal credit union or a credit union organized and supervised under the laws of any other state or territory of the United States and for the conversion of a federal credit union or a credit union organized and supervised under the laws of any other state or territory of the United States into a state credit union; and to provide for the merger of credit unions organized and supervised under the laws of this state, credit unions organized and supervised under the laws of any other state or territory of the United States, and federal credit unions," (MCL 490.1 to 490.31) by adding section 32.

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

Senators Hart, Cherry and Conroy introduced

Senate Bill No. 1289, entitled

A bill to amend 1980 PA 307, entitled "Savings and loan act of 1980," (MCL 491.102 to 491.1202) by adding section 1135.

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

Senators Hart and Cherry introduced

Senate Bill No. 1290, entitled

A bill to amend 1996 PA 354, entitled "Savings bank act," (MCL 487.3101 to 487.3804) by adding section 513.

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

Senators Hart, Cherry and Conroy introduced

Senate Bill No. 1291, entitled

A bill to amend 1969 PA 319, entitled "Banking code of 1969," (MCL 487.301 to 487.598) by adding section 247.

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

Senators Hart, Cherry and Conroy introduced

Senate Bill No. 1292, entitled

A bill to require certain persons that provide automatic teller machine services to disclose information regarding fees and charges.

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

Senator Schuette introduced

Senate Bill No. 1293, entitled

A bill to amend 1996 PA 381, entitled "Brownfield redevelopment financing act," by amending sections 2, 3, 4, 5, 8, 13, 15, 16, and 19 (MCL 125.2652, 125.2653, 125.2654, 125.2655, 125.2658, 125.2663, 125.2665, 125.2666, and 125.2669).

The bill was read a first and second time by title and referred to the Committee on Economic Development, International Trade and Regulatory Affairs.

Senators Shugars and Young introduced

Senate Bill No. 1294, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending section 527a (MCL 206.527a), as amended by 1996 PA 484.

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

Senators Shugars, Young and Stille introduced

Senate Bill No. 1295, entitled

A bill to establish the organ donor education fund in the department of community health; to provide for the distribution of money from the fund; to prescribe the duties and powers of certain agencies and officials; and to provide for appropriations.

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

Senators Shugars, Young and Stille introduced

Senate Bill No. 1296, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," (MCL 206.1 to 206.532) by adding section 438.

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

Senator Peters introduced

Senate Bill No. 1297, entitled

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," by amending section 3104 (MCL 500.3104), as amended by 1980 PA 445.

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

Recess

Senator DeGrow moved that the Senate recess subject to the call of the President.

The motion prevailed, the time being 10:18 a.m.

10:20 a.m.

The Senate was called to order by the President, Lieutenant Governor Binsfeld.

By unanimous consent the Senate returned to the order of

Messages from the House

The House of Representatives requested the return of

House Bill No. 5315, entitled

A bill to amend 1941 PA 122, entitled "An act to establish a revenue division of the department of treasury; to prescribe its powers and duties as the revenue collection agency of the state; to prescribe certain powers and duties of the state treasurer; to create the position and to define the powers and duties of the state commissioner of revenue; 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; and to declare the effect of this act," by amending section 18 (MCL 205.18), as added by 1980 PA 162.

Senator DeGrow moved that the request of the House be granted.
The motion prevailed.

Senator DeGrow moved that the balance of the order of Messages from the House be postponed for today.
On which motion Senator V. Smith requested the yeas and nays.
The yeas and nays were ordered, 1/5 of the members present voting therefor.
The motion prevailed, a majority of the members voting therefor, as follows:

Roll Call No. 679**Yeas—20**

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

Nays—14

Berryman	DeBeaussaert	Miller	Smith, V.
Byrum	Dingell	Peters	Vaughn
Cherry	Hart	Smith, A.	Young
Conroy	Koivisto		

Excused—2

Gast	Posthumus
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Not Voting—1

O'Brien

In The Chair: President

Protest

Senator Dingell, under his constitutional right of protest (Art. 4, Sec. 18), protested against the motion to postpone the balance of the order of Messages from the House.

Senator Dingell's statement is as follows:

We all know what that procedural vote was all about. For better than a year now, I have been trying to move legislation which will repeal something called the firemen's rule. There are other people who like things just the way they are. In fact, in general there are a lot of people in this chamber who feel that injured working people should always get stuck with just workers' compensation even if the person who hurts the worker comes into the workplace from outside the workplace. There's actually just one type of worker who is stuck with this kind of unfair circumstance now. It's firemen and policemen. It's through something called the firemen's rule.

We're going to get a performance review in a few days. I believe a meaningful item for consideration in the citizens of Michigan giving us our performance reviews is how we let injured police and fire personnel be treated. Currently, there is a court-made legal rule called the firemen's rule that tells fire and police personnel injured on the job that they can't sue people who hurt them. They get workers' comp, and that's it.

Oh, by the way, if they get killed on the job, they don't even get workers' compensation.

After the courts adopted the firemen's rule, they modified it various ways, various courts at various levels. They've accomplished thoroughly screwing up the idea, and basically, it's hard for practitioners to know when suit is allowed and when suit is not allowed. It's hard for judges to know this either. The best example of how the firemen's rule is administered right now in our courts is that if a cop is transporting a prisoner to the county jail, and the police cruiser is hit by a drunk driver and both the policeman and the prisoner end up in the hospital with serious impairment of a bodily function, the prisoner in the back seat can sue the drunk driver. The cop cannot. This is wrong. It's time for us to do something about this.

The Governor has conveyed his objections to repeal legislation before us through intermediaries. I've proposed concept legislation, a form of this legislation, which would deal with those objections. I said I'd be willing to go be an advocate for some kind of compromise—go be an advocate with the firemen and police groups. What I've encountered is foot-dragging. Nothing's happened all summer long. I've gotten absolutely nothing in the way of input. It's time that we have a vote on the record so that our constituents can rate us on our performance.

Today, procedurally, I tried to bring it in front of us. I failed because of foot-dragging from the other party. It's time to do something. It hasn't happened in over a year. Shame on the people who allow this kind of situation to continue here in Michigan. It's time to do something. It hasn't happened. Put Democrats in control. We'll make it happen.

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

Senator DeGrow's statement is as follows:

I would like the record to reflect that Senator Posthumus missed that vote because he is currently in a meeting with Mayor Archer and the Governor.

By unanimous consent the Senate proceeded to the order of

Resolutions

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

Senate Resolution No. 218

Senate Resolution No. 222

The resolution consent calendar was adopted.

Senators Gougeon, Bennett, Steil, Cisky, Shugars, Rogers, McManus, Emmons, Van Regenmorter, North, Schuette, Bullard, Dunaskiss, Gast, Bouchard, Geake, Stille and Schwarz offered the following resolution:

Senate Resolution No. 218.

A resolution observing September 21-27, 1998, as Pollution Prevention Week.

Whereas, Pollution prevention is being promoted as a priority in achieving environmental quality in the state of Michigan in a week of observance, education, and outreach; and

Whereas, The people of Michigan are proud of our state's beauty, natural resources, and environment; and

Whereas, The presence of pollutants may pose a threat to our environment, public health, and safety; and

Whereas, Pollution prevention is a fundamental approach to protect the environment and maintain the health and safety of workers in the workplace by stopping pollution before it occurs; and

Whereas, Pollution prevention can benefit businesses by increasing industrial efficiency through process and material waste reduction, thereby saving businesses time and money; and

Whereas, By a proactive approach to pollution prevention, Michigan can meet the challenges of having both a sustainable environment and healthy economy for its citizens and businesses; and

Whereas, Proposal C on the November General Election ballot, the Clean Michigan Initiative, contains valuable new funding for pollution prevention activities and will result in a greater citizen awareness and support for pollution prevention throughout the state; and

Whereas, Pollution Prevention Week is an opportunity for the people of Michigan to join together for a clean and vibrant Michigan by taking action in promoting the reduction of waste at its source of generation and identifying where this is not feasible on reuse and recycling; now, therefore, be it

Resolved by the Senate, That we observe September 21-27, 1998, as Pollution Prevention Week in Michigan, and we encourage all businesses and community members to participate in local and regional celebratory and educational activities; 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 esteem.

Senators Hart and Young were named co-sponsors of the resolution.

Senators Cisky and Steil offered the following resolution:

Senate Resolution No. 222.

A resolution proclaiming September 20 - 26, 1998, as Surgical Technologist Week in the state of Michigan.

Whereas, The Association of Surgical Technologists, Inc., was officially incorporated as a non-profit educational association in 1969, with the support of operating room nurses, the American College of Surgeons, and the American Hospital Association; and

Whereas, The association is primarily concerned with ensuring that surgical technologists are educationally prepared to deliver quality patient care, which is accomplished through accredited surgical technology programs, national certification, and continuing education; and

Whereas, Surgical technologists are responsible for the environmental disinfection, safety, and efficiency of the operating room, as well as their knowledge and experience with aseptic surgical technique that qualifies them for a role of importance in the surgical suite; and

Whereas, The surgical technology profession has grown to meet the continuing demand for well-educated, highly-skilled, and versatile individuals to work with surgeons and other skilled professionals to deliver the highest possible level of patient care; now, therefore, be it

Resolved by the Senate, That September 20 - 26, 1998, be proclaimed as Surgical Technologist Week in the state of Michigan, and this observance be commended to the people of this state; and be it further

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

Senators Schwarz, Hart and Young were named co-sponsors of the resolution.

Senators Posthumus and Gast entered the Senate Chamber.

The President pro tempore, Senator Schwarz, assumed the Chair.

Statements

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

The motion prevailed.

Senator Peters' statement is as follows:

Today I introduced a bill that is going increase the accountability within the Michigan Catastrophic Claims Association. The public of Michigan has to understand that this association basically is governed by a panel of five individuals who are not elected and who are appointed largely by the insurance industry, and yet, they have the power to tax every single motorist in the state of Michigan. They have this power to tax without any accountability. They are not elected, and they can do it behind closed doors. They are not subject to the Freedom of Information Act. They are not subject to the Open Meetings Act and can determine what this tax will be on each and every motorist in the state of Michigan.

This has led to some problems. One of the problems is the uncertainty as to what that assessment is going to be each year. Since the Michigan Catastrophic Claims Association has levied this tax, the amount has been anywhere from \$3 a year to \$118. Motorists find it very difficult to plan for their insurance costs when you have that variability of a fee being assessed to them.

We also have a situation where the fund has grown to a very large amount, and now, even after a rebate that was forced upon them by this Legislature, even after the rebate, they have in excess of \$1.3 billion in the fund.

I understand that today that board is meeting. We're not sure what they are meeting about because again, they aren't subject to the Open Meetings Act or the Freedom of Information Act, but the rumor has it that they're talking about increasing the fee on the heels of this rebate even though they're sitting on a \$1.3 billion excess.

My bill will change this and will actually, in a very straightforward way, bring some accountability to the association. It will cap the amount of fee at \$10 per year and tell that board that if they want to have a fee in excess of \$10, they need to come to the state Legislature, plead their case to the Legislature, and then elected officials within this legislative body would then make the determination if that money is necessary to levy and will do so accordingly.

My bill is necessary to bring accountability to the Catastrophic Claims Association, and if passed, there'll be two major benefits to the people of the state of Michigan. One, consumers will be better able to plan for their insurance cost each and every year, and two, we'll finally have public oversight of a body who has the power to tax and can do it in secrecy.

By unanimous consent the Senate returned to the order of

Resolutions

Senators Gast, Schwarz and DeGrow offered the following concurrent resolution:

Senate Concurrent Resolution No. 95.

A concurrent resolution approving the conveyance of property to the State Building Authority and approving a lease among the State of Michigan, the State Building Authority, and the Board of Control of Grand Valley State University relative to the Grand Valley State University School of Business and Graduate Library.

Whereas, Section 5 of 1964 PA 183, as amended, being MCL § 830.415, requires the approval of the Board of Control of Grand Valley State University (the "University"), the State Administrative Board, and the Michigan Legislature by concurrent resolution concurred in by a majority of the members elected to and serving in each house, with the votes and names of the members voting thereon entered in the journal, before land owned by the University may be conveyed to the State Building Authority (the "Authority"); and

Whereas, The site for the School of Business and Graduate Library (the "Facility") is currently owned by the University; and

Whereas, Section 7 of 1964 PA 183, as amended, being MCL § 830.417, requires the approval of the State Administrative Board and the Michigan Legislature by concurrent resolution concurred in by a majority of the members elected to and serving in each house, with the votes and names of the members voting thereon entered in the journal, before the State of Michigan (the "State") may enter into a lease with the Authority upon a showing of public purpose; and

Whereas, Providing additional space to be used by the University pursuant to the lease for the Facility is a recognized public purpose; and

Whereas, A lease among the Authority, the State, and the University has been prepared for the leasing of the Facility by the Authority to the State and the University (the "Lease"); and

Whereas, The Executive Director of the Authority has furnished the Joint Capital Outlay Subcommittee of the Legislature with information and documents relative to the Lease; now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Total Facility Cost of the Grand Valley State University School of Business and Graduate Library shall not exceed \$52,650,000 (the Authority share is \$37,524,900, the State General Fund/General Purpose share is \$100, and the University share is \$15,125,000), plus interest charges on monies advanced by the State to meet the construction cash flow requirements of the Facility, if any, of which not more than \$37,524,900, plus interest charges on monies advanced by the State to meet the construction cash flow requirements of the Facility, if any, shall be financed from bonds issued by the Authority, exclusive of amounts necessary for reserves, interest, or other nonconstruction costs; and be it further

Resolved, That the Legislature approves the necessary conveyances of property to the Authority as more particularly described in the Lease and attachments thereto; and be it further

Resolved, That the Legislature approves the Authority acquiring the Facility and leasing it to the State and the University and hereby determines that the leasing of the Facility from the Authority is for a public purpose as authorized by 1964 PA 183, as amended; and be it further

Resolved, That the annual amounts of "True Rental" for the Facility shall be within or below the range of \$3,733,000 and \$6,379,000, as shall reflect variations that may occur in the components upon which the appraisal of true rental was based, which amounts shall be certified by the appraiser and thereafter approved by the State Administrative Board and the Authority as authorized by 1964 PA 183, as amended; and be it further

Resolved, That the Lease is approved by this concurrent resolution, and the Governor and the Secretary of State are authorized and directed to execute the Lease for and on behalf of the State; and be it further

Resolved, That, by approving the Lease among the State, the University, and the Authority, the Legislature agrees to appropriate annually sufficient amounts to pay the rent as obligated pursuant to the Lease; and be it further

Resolved, That a copy of this concurrent resolution be transmitted to the Governor, the Secretary of State, the Authority, the University, and the State Budget Director.

Pending the order that, under rule 3.204, the concurrent resolution be referred to the Committee on Government Operations,

Senator DeGrow moved that the rule be suspended.

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

The question being on the adoption of the concurrent resolution,
Senator DeGrow moved that the concurrent resolution be referred to the Committee on Appropriations.
The motion prevailed.

Scheduled Meetings

Local, Urban and State Affairs Committee - Wednesday, September 23, at 1:00 p.m., Room 100, Farnum Building (3-1635).

Michigan Trial Court Assessment Commission - Friday, September 18, at 8:30 a.m., 8th Floor Conference Room, Farnum Building (3-7000).

Transportation and Tourism Committee - Wednesday, September 23, at 3:00 p.m., Room 405, Capitol Building (3-2413).

Senator DeGrow moved that the Senate adjourn.
The motion prevailed, the time being 10:45 a.m.

The President pro tempore, Senator Schwarz, declared the Senate adjourned until Thursday, September 17, at 10:00 a.m.

CAROL MOREY VIVENTI
Secretary of the Senate.

