No. 49 JOURNAL OF THE SENATE

Senate Chamber, Lansing, Wednesday, May 24, 2000.

10:00 a.m.

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

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

Bennett—excused	Hammerstrom—present	Rogers—present
Bullard—present	Hart—present	Schuette—present
Byrum—present	Hoffman—present	Schwarz—present
Cherry—present	Jaye—present	Shugars—present
DeBeaussaert—present	Johnson—present	Sikkema—present
DeGrow—present	Koivisto—present	A. Smith—present
Dingell—present	Leland—present	V. Smith—present
Dunaskiss—present	McCotter—present	Steil—present
Emerson—present	McManus—present	Stille—present
Emmons—present	Miller—present	Van Regenmorter—present
Gast—present	Murphy—present	Vaughn—present
Goschka—present	North—present	Young—present
Gougeon—present	Peters—present	

Pastor Bill Wilton of East Leonard Christian Reformed Church of Grand Rapids offered the following invocation: Lord in Heaven, we give thanks for this day. Father, we recognize that You are the one who has established government and this institution of state government. We thank You for the protection that it has offered us from violence and chaos in our society. Lord, we ask that You would remind each man and woman who does the work of the Senate here this day that they are called by You and ordained by You to do justice for the poor, the widows, the orphans, and the unborn. Lord, we pray that You would restrict the arrogance and pride and abuse of power that comes in mankind. We pray that You would bless each one with humility and servanthood.

Father, we pray as Jesus taught us to pray: Father in Heaven, Your name be hallowed; Your kingdom come; Your will be done on earth as it is in Heaven. Give us today our daily bread, and forgive us our debts as we forgive our debtors. Lead us not into temptation, but deliver us from the evil one. For thine is the kingdom and the power and the glory forever. Amen.

Senators Emerson and Dunaskiss entered the Senate Chamber.

Motions and Communications

The following communication was received: Department of State

Administrative Rules Notice of Filing

May 12, 2000

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 2:35 p.m. this date, administrative rule (00-05-02) for the Department of Treasury, Bureau of State Lottery, entitled "Crane Game Rules," effective 15 days thereafter.

Sincerely, Candice S. Miller Secretary of State Elena L. Beasley, Manager Office of the Great Seal

The communication was referred to the Secretary for record.

The Secretary announced that the following House bills were received in the Senate and filed on Wednesday, May 24: **House Bill Nos.** 5624 5721 5766 5767

Senator Rogers moved that Senator Bennett be excused from today's session. The motion prevailed.

By unanimous consent the Senate proceeded to the order of

Third Reading of Bills

By unanimous consent the Senate proceeded to consideration of the following bill:

Senate Bill No. 1254, entitled

A bill to amend 1974 PA 198, entitled "An act to provide for the establishment of plant rehabilitation districts and industrial development districts in local governmental units; to provide for the exemption from certain taxes; to levy and collect a specific tax upon the owners of certain facilities; to provide for the disposition of the tax; to provide for the obtaining and transferring of an exemption certificate and to prescribe the contents of those certificates; to prescribe the powers and duties of the state tax commission and certain officers of local governmental units; and to provide penalties," by amending section 2 (MCL 207.552), as amended by 1999 PA 140.

The above bill was read a third time.

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. 321

Yeas—36

McCotter Bullard Shugars Gast Goschka Sikkema Byrum McManus Cherry Gougeon Smith, A. Miller DeBeaussaert Hammerstrom Murphy Smith, V. DeGrow North Hart Steil Dingell Hoffman Peters Stille Dunaskiss Johnson Rogers Van Regenmorter

Emerson Koivisto Schuette Vaughn Emmons Leland Schwarz Young

Nays—1

Jaye

Excused—1

Bennett

Not Voting—0

In The Chair: Schwarz

The Senate agreed to the title of the bill.

The following bill was read a third time:

House Bill No. 5276, entitled

A bill to make appropriations for the department of environmental quality for the fiscal year ending September 30, 2001; to provide for the expenditure of those appropriations; to create funds and accounts; to require reports; to prescribe certain powers and duties of certain state agencies and officials; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by the various state agencies.

The question being on the passage of the bill,

Senator A. Smith offered the following amendment:

1. Amend page 29, following line 5, by inserting:

"Sec. 402. The department shall promulgate a rule that regulates and reduces the emission of mercury from electrical power generating facilities in order to protect public health and the natural resources of the state.".

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. 322

Yeas-19

Byrum Goschka Koivisto Smith, A. Cherry Hammerstrom Leland Smith, V. DeBeaussaert Hart Miller Vaughn Dingell Hoffman Murphy Young Emerson Johnson Peters

Nays—18

Bullard Gougeon Rogers Sikkema **DeGrow** Jaye Schuette Steil Stille Dunaskiss McCotter Schwarz Emmons McManus Shugars Van Regenmorter

Gast North

Excused—1

Bennett

Not Voting—0

In The Chair: Schwarz

Senator Peters offered the following amendment:

1. Amend page 28, following line 11, by inserting:

"Sec. 302. By September 30, 2001, the department shall designate or cause to be designated all wetlands identified in the September 1996 report "The Critical Noncontiguous Wetlands of Michigan" that are located on state property as essential to the preservation of the natural resources of the state pursuant to section 30301(d)(iii) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.30301(d)(iii)."

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. 323 Yeas—15

Byrum	Emerson	Miller	Smith, V.
Cherry	Hart	Murphy	Vaughn
DeBeaussaert	Koivisto	Peters	Young
Dingell	Leland	Smith, A.	

Nays—22

Bullard	Gougeon	McManus	Shugars
DeGrow	Hammerstrom	North	Sikkema
Dunaskiss	Hoffman	Rogers	Steil
Emmons	Jaye	Schuette	Stille

Gast Johnson Schwarz Van Regenmorter

Goschka McCotter

Excused—1

Bennett

Not Voting—0

In The Chair: Schwarz

Senator A. Smith offered the following amendment:

1. Amend page 38, following line 20, by inserting:

"Sec. 1102. The department shall discontinue the use of environmental conservation officers to provide security services for the director or for public or private hearings or meetings held by the department or in which the department participates.".

The amendment was not adopted, a majority of the members serving not voting therefor.

The question being on the passage of the bill,

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

Roll Call No. 324

Yeas—36

Bullard	Gast	McCotter	Shugars
Byrum	Goschka	McManus	Sikkema
Cherry	Gougeon	Miller	Smith, A.
DeBeaussaert	Hammerstrom	Murphy	Smith, V.
DeGrow	Hart	North	Steil
Dingell	Hoffman	Peters	Stille
Dunaskiss	Johnson	Rogers	Van Regenmorter
Emerson	Koivisto	Schuette	Vaughn
Emmons	Leland	Schwarz	Young

Nays—1

Jaye

Excused—1

Bennett

Not Voting—0

In The Chair: Schwarz

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

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

The Senate agreed to the title of the bill.

Senators V. Smith and A. Smith asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator V. Smith's statement is as follows:

I rise to support the Alma Smith amendment. I am somewhat befuddled by this debate. Pollution has been a continuing problem within this state—you can look at the headlines today in *The Detroit News*, "Pollution May Threaten to Close Area Beaches for This Holiday." That's something we see annually now. Not only does it threaten to close some beaches, it threatens to close many beaches. I heard the figure that the good Senator gave. I thought it was a mind-boggling figure, but for Michigan, the home of the Great Lakes, the protector of the largest fresh water supply in this nation, to turn its back and ignore the problem when it is a problem that occurs every year, a problem that has increased in intensity, when the good Senator only has asked the department that has a responsibility to deal with it to take this problem up, seems to me more than responsible. I would hope that the body would support her.

Senator A. Smith's first statement is as follows:

This amendment would require that the Department of Environmental Quality to promulgate a rule that regulates and reduces the emission of mercury from electrical power generating facilities in order to protect public health and the natural resources of the state of Michigan. I think this is entirely appropriate, particularly as it relates to the deregulation bill that we did yesterday. Mercury is naturally occurring in the environment, but the majority of mercury in our environment comes from manmade human activities. The largest source of mercury are the coal-fired power plants, municipal waste incinerators, medical waste incinerators, and the chlorine production in the state.

Senator A. Smith's second statement is as follows:

The Senator from the 31st suggested because we have no power over the rules process, we shouldn't use our legislative authority to direct the department to produce a rule that does something that we think is important, and that is to regulate and reduce the emissions of mercury from our generating sources here in the state of Michigan to protect the human health of the citizens of the state of Michigan. We have the power to do that legislatively, and in many cases where we have no rule authority, we will find an increasing legislative penchant for doing rules through the legislative process. That's all that's left to us, and it is the way that we will find ourselves acting, so this is entirely appropriate.

Then do we know what the federal regulations are? The federal regulations for mercury emissions here in the state of Michigan have been grandfathered in at the old standard and not the newer clean air act standards. I think that the department has a responsibility to the citizens of Michigan to regulate to the new standards again to protect the health of not only the people of the state of Michigan, but the natural resources of the state of Michigan. We have closed down 11,000 lakes with mercury advisories in a state that relies heavily on tourism, and you've said to the people who would use those inland lakes, "Don't bother to come here because if you pull a product or fish from this lake, you really are cautioned against using them for human consumption." So if we fail to act, we will be sending people on the tourist element of this industry off to states that have taken stronger regulation positions on mercury. So should we sit by and say to the department, "Continue to operate as you have for the past 10 years, do nothing, and watch the environment and the consequent health of citizens of the state of Michigan continue to decline"? I don't believe that should be our response here in the Legislature. So I urge my colleagues to support the amendment.

Senator A. Smith's third statement is as follows:

This is the last time, Mr. President. The power plants in the state of Michigan emit 33 percent of the mercury pollution that we incur here in Michigan. Medical waste incinerators do 10 percent. But medical waste incinerators have been shutting down because the local units of government have begun to work with the hospitals in order to end that source of pollution within their communities. Ann Arbor and the University of Michigan came to an agreement where the medical waste incinerator was shut down. Henry Ford Hospital has came to an agreement where the medical waste incinerators were shut down. We choose to do nothing about that which creates 33 percent of the emissions.

So we're simply directing the department to do those things that are necessary to reduce emissions of mercury to the environment. We're not saying that we're going to do it. We're asking the people who are alleged experts in this area to work on the problem and to establish a mechanism to reduce the mercury emissions from the power plants. I think that is something that the Legislature should be doing. I urge support for the amendment.

The following bill was read a third time:

House Bill No. 5279, entitled

A bill to make appropriations for the judicial branch for the fiscal years ending September 30, 2000 and September 30, 2001; to provide for the expenditure of these appropriations; to place certain restrictions on the expenditure of these appropriations; to prescribe the powers and duties of certain officials and employees; to require certain reports; and to provide for the disposition of fees and other income received by the judicial branch.

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. 325 Yeas—36

Bullard	Gast	McCotter	Shugars
Byrum	Goschka	McManus	Sikkema
Cherry	Gougeon	Miller	Smith, A.
DeBeaussaert	Hammerstrom	Murphy	Smith, V.
DeGrow	Hart	North	Steil

Dingell Hoffman Stille Peters

Dunaskiss Johnson Rogers Van Regenmorter Emerson Koivisto Schuette Vaughn Emmons Leland

Schwarz Young

Nays—1

Jaye

Excused—1

Bennett

Not Voting—0

In The Chair: Schwarz

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

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

The Senate agreed to the title of the bill.

The following bill was read a third time:

House Bill No. 5280, entitled

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2001; to provide for the expenditure of the appropriations; to provide for certain powers and duties of the department of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

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. 326 Yeas—35

Bullard Gast McCotter Shugars Byrum Goschka McManus Sikkema Cherry Gougeon Miller Smith, A. DeBeaussaert Hammerstrom Murphy Smith, V. **DeGrow** North Steil Hart Dingell Hoffman Peters Stille

Dunaskiss Van Regenmorter Johnson Rogers

Emerson Koivisto Schuette Vaughn

Emmons Leland Schwarz Excused—1

Bennett

Not Voting—1

Young

In The Chair: Schwarz

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

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

The Senate agreed to the title of the bill.

The following bill was read a third time:

House Bill No. 5282, entitled

A bill to make appropriations for the department of state police and certain other state purposes for the fiscal year ending September 30, 2001; to provide for the expenditure of those appropriations; to provide for certain reports and the consideration of those reports; to provide for the disposition of other income received by the various state agencies; to provide for the testing of certain persons; to provide for certain emergency powers; and to provide for the powers and duties of certain committees, certain state agencies, and certain employees.

The question being on the passage of the bill,

Senators Rogers, Johnson, Sikkema and Bullard offered the following amendments:

- 1. Amend page 9, line 3, by striking out "506,900" and inserting "666,900".
- 2. Amend page 9, line 17, by striking out "506,900" and inserting "666,900" and adjusting the subtotals, totals, and section 201 accordingly.
 - 3. Amend page 25, following line 14, by inserting:

"Sec. 905. Of the funds appropriated in section 112 for reimbursed services, no less than \$500,000.00 shall be used for construction zone traffic law enforcement."

The amendments were adopted, a majority of the members serving voting therefor.

Senator Cherry offered the following amendments:

- 1. Amend page 9, line 24, by striking out "14,727,600" and inserting "14,827,600".
- 2. Amend page 10, line 10, by striking out "20,054,100" and inserting "20,154,100" and adjusting the subtotals, totals, and section 201 accordingly.
 - 3. Amend page 26, following line 11, by inserting:

"Sec. 1003. Of the funds appropriated in section 113, \$100,000.00 shall be expended by the department to create a toll-free hotline in collaboration with the department of education. The toll-free hotline shall be operated 24 hours per day, 7 days per week, and shall provide students, school officials, and other individuals an opportunity to report specific threats of imminent school violence or other suspicious or criminal conduct by juveniles to the appropriate local law enforcement entities for investigation."

The amendments were not adopted, a majority of the members serving not voting therefor.

Protest

Senator Emmons, under her constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the amendments offered by Senator Cherry to House Bill No. 5282 and moved that the statement she made during the discussion of the amendments be printed as her reasons for voting "no."

The motion prevailed.

Senator Emmons' statement is as follows:

This is very reminiscent of what came out of our Safe Schools Task Force. We tried to get the Department of Education to actually do this. To my knowledge, they never used the money, and they never spent it. I would suggest to anybody who thinks that state government, whether it be the State Police or whether it be the Department of Education, is going to tackle this problem had better think again. I can tell you that I mentioned at a legislative coffee

gathering in Hastings that it would be a good idea to have a hotline where students could call in. Two months later, when I went back to Hastings, 9-1-1 had a special red phone up on their wall, and they were taking calls from students who had a suspicion of a problem.

Those people care about their kids more than anybody in state government, and they acted. So I might suggest to the Senator from the 28th District that probably the local people do a heck of a lot better job than putting words on a piece of paper in Lansing.

Senator Byrum offered the following amendments:

- 1. Amend page 6, line 18, by striking out "2,307,800" and inserting "2,357,800".
- 2. Amend page 7, line 2, by striking out "18,500,900" and inserting "18,550,900".

The question being on the adoption of the amendments,

Senator Byrum requested the yeas and nays.

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

The amendments were not adopted, a majority of the members serving not voting therefor, as follows:

Roll Call No. 327 Yeas—18

Byrum	Goschka	Leland	Smith, A.
Cherry	Hammerstrom	Miller	Smith, V.
DeBeaussaert	Hart	Murphy	Vaughn
Dingell	Jaye	Peters	Young
Emerson	Koivisto		· ·

Nays—19

Bullard	Gougeon	North	Sikkema
DeGrow	Hoffman	Rogers	Steil
Dunaskiss	Johnson	Schuette	Stille
Emmons	McCotter	Schwarz	Van Regenmorter
Gast	McManus	Shugars	_

Excused—1

Bennett

Not Voting—0

In The Chair: Schwarz

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. 328 Yeas—37

Bullard	Goschka	McCotter	Shugars
Byrum	Gougeon	McManus	Sikkema
Cherry	Hammerstrom	Miller	Smith, A.
DeBeaussaert	Hart	Murphy	Smith, V.

DeGrow Hoffman North Steil
Dingell Jaye Peters Stille

Dunaskiss Johnson Rogers Van Regenmorter

EmersonKoivistoSchuetteVaughnEmmonsLelandSchwarzYoung

Gast

Nays—0

Excused—1

Bennett

Not Voting—0

In The Chair: Schwarz

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

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

The Senate agreed to the title of the bill.

Senators V. Smith and A. Smith asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator V. Smith's statement is as follows:

Mr. President, I'm really shocked to hear the subcommittee chair of the Appropriations Committee talk about the process and respect for the process. This delay in DNA testing at the State Police lab allowed a serial killer to kill three more women, and he says he's not aware of a problem. We had a serial killer loose in Dearborn—a serial killer. The Dearborn Heights police had caught him, had arrested him, and had to release him because the DNA tests weren't done. Now, indeed, it was a serious mistake by the prosecutor's office in Wayne County, but the problem rests with the State Police lab. And to have the subcommittee chair say that he's not aware of the problem when three more women were killed because of the delay in DNA testing by that lab, I'm shocked; I'm startled. He must not be paying any attention to the affairs that go on in this state regarding the areas he has control over in the appropriations process. We had three women who were killed—three women—after they had arrested him. And, indeed, the State Police need to correct this problem. The money needs to be appropriated to correct this problem. We shouldn't have another person who has to lose their life because the process is not being protected.

Senator A. Smith's statement is as follows:

To the distinguished chair of the Appropriations Committee and the Senator from the 19th District, who are so concerned about process, if an issue comes to the attention of a Senator after the subcommittee and the whole approps committee has met, we are precluded from bringing that issue on the floor.

I'd like to ask how it happened that we adopted a \$150,000 amendment to a budget that added additional police for construction zones? The subcommittee heard testimony from the State Police, it enhanced the number of State Police officers, and it rolled in the motor enforcement carriers. So we added people who would be out there on the highways. We already know from the newspaper reports continuously that there are additional State Police in the construction zones enforcing the speed laws in construction zones. But we had an amendment from the floor that bypassed the process that added \$150,000 for this purpose that the subcommittee had already addressed and that the full approps committee had approved. And there was nothing wrong with that process.

Now we would like to characterize this amendment as having certain special interests interest. This is an amendment that impacts everybody in the state of Michigan, impacts the procedure, and the speed with which the department is able to address the needs of the local enforcement units. This is partisan. This is not process. I urge support for the Byrum amendment.

Senator Young stated that had he been present when the vote was taken on the passage of the following bill, he would have voted "yea":

House Bill No. 5280

The following bill was read a third time:

House Bill No. 5273, entitled

A bill to make appropriations for the department of agriculture for the fiscal year ending September 30, 2001; 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,

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

Roll Call No. 329 Yeas—35

Bullard	Gast	McCotter	Shugars
Byrum	Goschka	McManus	Sikkema
Cherry	Gougeon	Miller	Smith, V.
DeBeaussaert	Hammerstrom	Murphy	Steil
DeGrow	Hart	North	Stille
Dingell	Hoffman	Peters	Van Regenmorter
Dunaskiss	Johnson	Rogers	Vaughn
Emerson	Koivisto	Schuette	Young
Emmons	Leland	Schwarz	

Nays—1

Jaye

Excused—1

Bennett

Not Voting—1

Smith, A.

In The Chair: Schwarz

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

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

The Senate agreed to the title of the bill.

Senator A. Smith stated that had she been present when the vote was taken on the passage of the following bill, she would have voted "yea":

House Bill No. 5273

By unanimous consent the Senate proceeded to consideration of the following bill:

House Bill No. 5281, entitled

A bill to make appropriations for the department of natural resources for the fiscal year ending September 30, 2001; to provide for the expenditure of those appropriations; to create funds and accounts; to require reports; to prescribe certain powers and duties of certain state agencies and officials; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by the various state agencies.

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The above bill was read a third time.

The question being on the passage of the bill,

Senator Jaye offered the following amendment:

1. Amend page 24, following line 4, by inserting:

"Sec. 222. Money from the following funds, not otherwise appropriated for office remodeling and renovation projects, shall not be spent for office renovation or remodeling projects unless transferred to an appropriate line item under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393, for remodeling and renovation purposes:

- (a) Forest resource revenue.
- (b) Game and fish protection fund.
- (c) Game and fish protection fund deer habitat reserve.
- (d) Game and fish protection fund turkey permit fees.
- (e) Game and fish protection fund waterfowl fees.
- (f) Game and fish wildlife resource protection fund.
- (g) Harbor development fund.
- (h) Marine safety fund.
- (i) Michigan state waterways fund.
- (j) Michigan natural resources trust fund.
- (k) Nongame wildlife fund.".

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

The question being on the passage of the bill,

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

Roll Call No. 330

Bullard	Gast	McCotter	Shugars
Byrum	Goschka	McManus	Sikkema
Cherry	Gougeon	Miller	Smith, A.
DeBeaussaert	Hammerstrom	Murphy	Smith, V.
DeGrow	Hart	North	Steil
Dingell	Hoffman	Peters	Stille
Dunaskiss	Johnson	Rogers	Van Regenmorter
Emerson	Koivisto	Schuette	Vaughn
Emmons	Leland	Schwarz	Young

Yeas—36

Nays—1

Jaye

Excused—1

Bennett

Not Voting—0

In The Chair: Schwarz

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

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

The Senate agreed to the title of the bill.

By unanimous consent the Senate proceeded to the order of

General Orders

Senator Rogers 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 bills: **House Bill No. 5638, entitled**

A bill to designate December 7 of each year as Pearl Harbor day in the state of Michigan.

House Bill No. 5468, entitled

A bill to amend 1980 PA 300, entitled "The public school employees retirement act of 1979," by amending section 5 (MCL 38.1305), as amended by 1998 PA 123.

Senate Bill No. 1264, entitled

A bill to amend 1945 PA 327, entitled "Aeronautics code of the state of Michigan," by amending section 203 (MCL 259.203).

Senate Bill No. 1265, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 71102 (MCL 324.71102), as added by 1995 PA 58.

Senate Bill No. 1266, entitled

A bill to amend 1980 PA 119, entitled "Motor carrier fuel tax act," by amending sections 1 and 4 (MCL 207.211 and 207.214), as amended by 1996 PA 584.

House Bill No. 5139, entitled

A bill to amend 1954 PA 116, entitled "Michigan election law," by amending sections 14a, 24j, 666a, 669, 805, and 871 (MCL 168.14a, 168.24j, 168.666a, 168.669, 168.805, and 168.871), sections 14a and 805 as amended by 1995 PA 261 and section 871 as amended by 1996 PA 583.

House Bill No. 5507, entitled

A bill to amend 1939 PA 280, entitled "The social welfare act," by amending section 109 (MCL 400.109), as amended by 1997 PA 173.

The bills were placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: **House Bill No. 5274, entitled**

A bill to make appropriations for the department of career development and certain other state purposes for the fiscal year ending September 30, 2001; to provide for the expenditure of the appropriations; and to provide for the disposition of fees and other income received by the state agencies.

Substitute (S-1).

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

- 1. Amend page 6, line 3, by striking out "111,548,300" and inserting "111,548,200".
- 2. Amend page 6, line 15, by striking out "397,595,700" and inserting "397,595,600".
- 3. Amend page 7, line 17, by striking out "14,574,200" and inserting "14,574,100" and adjusting the subtotals, totals, and section 201 accordingly.
 - 4. Amend page 29, following line 12, by inserting

"Sec. 323. The department shall work with the department of community health to establish a Medicaid buy-in program for the working disabled through the options available under the federal ticket to work and work incentives improvement act of 1999.".

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: **House Bill No. 5275, entitled**

A bill to make appropriations for the department of consumer and industry services and certain other state purposes for the fiscal year ending September 30, 2001; to provide for the expenditure of those appropriations; to provide for the imposition of certain fees; to provide for the disposition of fees and other income received by the state agencies; to provide for reports to certain persons; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

Substitute (S-1).

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

1. Amend page 11, following line 2, by inserting:

- 2. Amend page 11, line 3, by striking out "9,225,000" and inserting "12,225,000".
- 3. Amend page 11, line 7, by striking out "550,000" and inserting "3,550,000" and adjusting the subtotals, totals, and section 201 accordingly.
 - 4. Amend page 40, line 27, after "level" by striking out "employed" and inserting "appropriated".
 - 5. Amend page 41, line 22, after "for" by striking out "5" and inserting "36".
 - 6. Amend page 41, line 23, after "inspectors," by striking out "6" and inserting "25".
 - 7. Amend page 41, line 23, after "and" by striking out "5" and inserting "32".
 - 8. Amend page 42, following line 22, by inserting:

"Sec. 337. The funding appropriated in part 1 for the combined regional emergency services training center shall at a minimum be matched on an equal dollar-for-dollar basis. The department shall receive proof of the match amount before releasing this appropriation.

Sec. 338. The funding appropriated in part 1 for the fire and emergency services training center shall at a minimum be matched on an equal dollar-for-dollar basis. The department shall receive proof of the match amount before releasing this appropriation.".

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: **House Bill No. 5284, entitled**

A bill to make appropriations for the state transportation department and certain transportation purposes for the fiscal year ending September 30, 2001; to provide for the imposition of fees; to provide for reports; to create certain funds and programs; to prescribe requirements for certain railroad and bus facilities; to prescribe certain powers and duties of certain state departments and officials and local units of government; and to provide for the expenditure of the appropriations.

Substitute (S-1).

The following is the amendment to the substitute recommended by the Committee of the Whole:

- 1. Amend page 22, following line 27, by inserting:
- "Sec. 341. From the funds appropriated in part 1, the department shall review "T" intersections in areas deemed critical by the department. This review may include traffic studies, preliminary engineering, right-of-way acquisition, redesign, and construction.
- Sec. 342. From the funds appropriated in part 1, \$500,000.00 shall be provided to the department of state police for enhanced construction zone traffic law enforcement. The funding shall be used to reimburse department of state police troopers for overtime costs associated with construction zone traffic enforcement. The funding shall be provided based on an approved memorandum of understanding between the department and the department of state police.

Sec. 343. Funds from the countercyclical budget and economic stabilization fund and from streamlining diesel fuel tax collection deposited in the state trunkline fund and intended for the build Michigan III program at the close of the fiscal year shall remain in the state trunkline fund and shall carry forward and be available for appropriation for debt service payments and construction costs associated with the build Michigan III program.

Sec. 344. The department shall be prohibited from requiring testimonials as part of the bidding process.".

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: **House Bill No. 5278, entitled**

A bill to make appropriations for the departments of attorney general, civil rights, civil service, management and budget, state, and treasury, the executive office, and the legislative branch for the fiscal year ending September 30, 2001; to provide for the expenditure of these appropriations; to provide for the funding of certain work projects; to provide for the imposition of certain fees; to establish or continue certain funds, programs, and categories; to transfer certain funds; to prescribe certain requirements for bidding on state contracts; to provide for disposition of year-end balances for the fiscal year ending September 30, 2001; to prescribe the powers and duties of certain principal executive departments and state agencies, officials, and employees; and to provide for the disposition of fees and other income received by the various principal executive departments and state agencies.

Substitute (S-1).

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

- 1. Amend page 14, line 14, by striking out "100,000" and inserting "250,000".
- 2. Amend page 14, line 24, by striking out "35,565,700" and inserting "35,715,700".
- 3. Amend page 30, following line 16, by inserting:

- 4. Amend page 30, line 20, by striking out "644,261,900" and inserting "661,400,000".
- 5. Amend page 30, line 21, by striking out "914,850,000" and inserting "939,200,000".
- 6. Amend page 31, line 6, by striking out "1,559,111,900" and inserting "1,600,600,000".
- 7. Amend page 31, line 9, by striking out "18,946,300" and adjusting the subtotals, totals, and section 201 accordingly.
 - 8. Amend page 39, following line 13, by inserting:
- "Sec. 213. The departments and agencies receiving appropriations under this act shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed.".
 - 9. Amend page 50, following line 5, by inserting:
- "Sec. 634. Any unexpended funds appropriated in part 1 to the senate and house of representatives for census tracking/reapportionment shall not lapse to the general fund at the close of the fiscal year, and shall remain available in succeeding fiscal years for the purpose for which it was appropriated."
 - 10. Amend page 90, line 9, after "shall" by inserting "not".

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: **House Bill No. 5277, entitled**

A bill to make appropriations for the family independence agency and certain state purposes related to public welfare services for the fiscal year ending September 30, 2001; to provide for the expenditure of the appropriations; to create funds; to provide for the imposition of fees; to provide for reports; to provide for the disposition of fees and other income received by the state agency; and to provide for the powers and duties of certain individuals, local governments, and state departments, agencies, and officers.

Substitute (S-1).

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

- 1. Amend page 4, line 13, by striking out "18,100,000" and inserting "20,100,000".
- 2. Amend page 4, line 17, by striking out "213,947,800" and inserting "215,947,800".
- 3. Amend page 5, line 9, by striking out "3,417,600" and inserting "4,417,600".
- 4. Amend page 5, line 24, by striking out "337,259,700" and inserting "338,259,700" and adjusting the subtotals, totals, and section 201 accordingly.

- 5. Amend page 21, line 2, by striking out "Michigan urban Indian consortium".
- 6. Amend page 21, line 4, after "organizations" by striking out "and the inter-tribal council of Michigan".
- 7. Amend page 25, line 18, after "family" by inserting "or the court denies the petition".
- 8. Amend page 52, line 1, after "By" by striking out "June 30, 2001," and inserting "August 30, 2001, the department after-school pilot program expenditures shall be audited and".

The Senate agreed to the substitute, as amended, 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. 1208, entitled

A bill to provide review of certain health care treatment adverse determinations; to provide for the review of health care coverage treatment adverse determinations by independent review organizations; to prescribe eligibility, powers, and duties of certain independent review organizations; to prescribe the powers and duties of certain health carriers; to prescribe the powers and duties of certain state officials; to provide for the reporting of certain information; to provide fees; and to provide penalties for violations of this act.

Substitute (S-2).

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

- 1. Amend page 29, line 5, after "\$25,000.00." by striking out the balance of the subdivision.
- 2. Amend page 29, following line 9, by inserting:
- "(2) If the commissioner finds that a health carrier has deliberately refused to pay for a covered benefit, the commissioner may order any of the following:
- (a) For a first offense, payment of a civil fine of not more than \$25,000.00 and recovery of the cost of the investigation.
- (b) For a second offense, payment of a civil fine of not more than \$50,000.00 and recovery of the cost of the investigation.
- (c) For a third or subsequent offense or if the commissioner determines that the health carrier has deliberately engaged in a pattern of refusing to pay for a covered benefit, both of the following:
 - (i) The greater of the following:
 - (A) Payment of a civil fine of not more than \$1,000,000.00.
- (B) Payment of a civil fine which shall be the amount of the health carrier's total liability for the covered benefits denied.
 - (ii) Recovery of the cost of the investigation.
- (3) A fine collected under this section shall be placed in the cancer clinical trials fund created in subsection (7)." and renumbering the remaining subsections.
 - 3. Amend page 29, line 24, after "both." by striking out the balance of the subsection.
 - 4. Amend page 30, following line 3, by inserting:
- "(7) The cancer clinical trials fund is created as a separate fund in the state treasury. The money in the fund shall be used as provided in this subsection. The state treasurer shall credit to the cancer clinical trials fund all fines collected under this section. The state treasurer may invest money in the fund in any manner authorized by law for the investment of state money, and earnings shall be credited to the fund. Money may be appropriated from the fund to hospitals, outpatient oncology centers, and other facilities located in this state involved in national institutes of health phase III or IV cancer clinical trials that apply for fund money to partially defray costs of patient participation in cancer clinical trials not covered by pharmaceutical manufacturers or health carriers. Money may be appropriated from the fund in amounts that shall not exceed \$5,000.00 per facility per year. Money in the cancer clinical trials fund at the close of the fiscal year shall remain in the fund and shall not lapse to the general fund."

The Senate agreed to the substitute, as amended, 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. 1209, entitled

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," by amending sections 102, 224, 240, and 2213 (MCL 500.102, 500.224, 500.240, and 500.2213), section 224 as amended by 1998 PA 121, section 240 as amended by 1987 PA 261, and section 2213 as added by 1996 PA 517, and by adding chapter 35; and to repeal acts and parts of acts.

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. 1210, entitled**

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," (MCL 500.100 to 500.8302) by adding section 3580.

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. 1211, entitled**

A bill to amend 1978 PA 368, entitled "Public health code," by amending sections 20106, 20124, 20161, and 22205 (MCL 333.20106, 333.20124, 333.20161, and 333.22205), sections 20106 and 20161 as amended by 1996 PA 267 and section 22205 as amended by 1993 PA 88.

Substitute (S-2).

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

The Committee of the Whole reported back to the Senate, favorably and with amendments, the following bill:

Senate Bill No. 1277, entitled

A bill to amend 1939 PA 3, entitled "An act to provide for the regulation and control of public utilities and other services affected with a public interest within this state; to create a public service commission and to prescribe and define its powers and duties; to abolish the Michigan public utilities commission and to confer the powers and duties vested by law therein on the public service commission; to provide for the continuance, transfer, and completion of certain matters and proceedings; to abolish automatic adjustment clauses; to prohibit rate increases without notice and hearing; to qualify residential energy conservation programs permitted under state law for certain federal exemption; to provide for a restructuring of rates for certain utilities; to encourage the utilization of resource recovery facilities; to provide for appeals; to provide appropriations; to declare the effect of this act; to prescribe penalties; and to repeal all acts contrary to this act," (MCL 460.1 to 460.8) by adding section 10z.

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

- 1. Amend page 2, line 1, after "GOVERNMENT" by inserting a comma and "PUBLIC AND PRIVATE SCHOOLS, UNIVERSITIES, AND COMMUNITY COLLEGES".
 - 2. Amend page 2, line 2, after "FOR" by inserting "THEMSELVES OR FOR".
 - 3. Amend page 2, following line 10, by inserting:

"Enacting section 1. This amendatory act does not take effect unless Senate Bill No. 937 of the 90th Legislature is enacted into law.".

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

The Committee of the Whole reported back to the Senate, favorably and with amendments, the following bill:

House Bill No. 5029, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 5119 (MCL 333.5119), as amended by 1994 PA 75.

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

- 1. Amend page 1, line 7, after "regarding" by inserting "PRENATAL CARE AND".
- 2. Amend page 2, line 6, after "infection." by striking out the balance of the line through "care." on line 10.

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: **Senate Bill No. 772, entitled**

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," (MCL 206.1 to 206.532) by adding section 267. 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. 1205, entitled

A bill to prescribe a tax on the sale and use of certain types of fuel in motor vehicles on the public roads or highways of this state and on certain other types of gas; to prescribe the manner and the time of collection and payment of this tax and the duties of officials and others pertaining to the payment and collection of this tax; to provide for the licensing of persons involved in the sale, use, or transportation of motor fuel and the collection and payment of the tax imposed by this act; to prescribe fees; to prescribe certain other powers and duties of certain state agencies and other persons; to provide for exemptions and refunds and for the disposition of the proceeds of this tax; to provide for appropriations from the proceeds of this tax; to prescribe remedies and penalties for the violation of this act; and to repeal acts and parts of acts.

Substitute (S-1).

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

- 1. Amend page 23, line 27, by striking out "licensed or".
- 2. Amend page 29, line 3, after "Sec. 37." by inserting "(1)".
- 3. Amend page 29, following line 8, by inserting:
- "(2) A person who is licensed under this act and registered with the federal government under section 4101 of the internal revenue code as an ultimate vendor may apply for a refund or claim a deduction for tax paid under this act on K-1 kerosene that is sold tax-free by that person through a blocked pump if he or she meets the requirements described in section 6427 of the internal revenue code and any regulations concerning a blocked pump. The department may revoke a person's license under this act if the person allows anyone to fuel a motor vehicle from a blocked pump or allows anyone to purchase K-1 kerosene from a blocked pump for a taxable purpose. As used in this subsection, "blocked pump" means that term as defined in 65 F.R. 48.6427-10, p. 17162 (March 31, 2000)."
 - 4. Amend page 72, line 16, after "section" by striking out "46a" and inserting "112 or 113".
 - 5. Amend page 72, line 17, after "by" by striking out "that section" and inserting "either of those sections".
 - 6. Amend page 95, line 5, by striking out all of subsection (2) and renumbering the remaining subsection.

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: **House Bill No. 4427, entitled**

A bill to define, develop, and regulate privately owned cervidae as an agricultural enterprise in this state; to provide powers and duties of certain state agencies and departments; and to provide for certain penalties and remedies. Substitute (S-1).

The following is the amendment to the substitute recommended by the Committee of the Whole:

1. Amend page 18, line 1, after "effect" by striking out the balance of the section and inserting "June 1, 2001.".

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: **House Bill No. 4428, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 40103, 41102, and 42702 (MCL 324.40103, 324.41102, and 324.42702), section 40103 as amended by 1999 PA 66 and sections 41102 and 42702 as added by 1995 PA 57; and to repeal acts and parts of acts.

Substitute (S-1).

The following is the amendment to the substitute recommended by the Committee of the Whole:

1. Amend page 5, line 6, by striking out all of enacting section 2 and inserting:

"Enacting section 2. This amendatory act takes effect June 1, 2001.".

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: **House Bill No. 5538, entitled**

A bill to amend 1966 PA 346, entitled "State housing development authority act of 1966," by amending sections 21, 22b, 22c, 32, 32a, 32b, 44, 44a, and 46 (MCL 125.1421, 125.1422b, 125.1422c, 125.1432, 125.1432a, 125.1432b, 125.1444a, and 125.1446), section 21 as amended by 1983 PA 49, sections 22b, 22c, 32, 32a, and 44a as amended by 1996 PA 475, sections 32b and 44 as amended by 1998 PA 33, and section 46 as amended by 1993 PA 220. 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.

By unanimous consent the Senate proceeded to the order of

Introduction and Referral of Bills

Senator Steil introduced

Senate Bill No. 1289, entitled

A bill to amend 1994 PA 425, entitled "An act to provide for the creation of community swimming pool authorities; to provide powers and duties of the authorities; to provide for the levy of a tax by the authorities; and to provide for the collection and distribution of the tax," by amending section 1 (MCL 123.1061).

The bill was read a first and second time by title and referred to the Committee on Local, Urban and State Affairs.

Senators Peters, Emerson, Dingell, DeBeaussaert, Miller, Vaughn, A. Smith, Hart and Murphy introduced Senate Bill No. 1290, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 5504 (MCL 324.5504).

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

Senator Emmons introduced

Senate Bill No. 1291, entitled

A bill to require warranties on new manufactured homes; to require certain repairs to manufactured homes; and to provide remedies for the failure to repair.

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

House Bill No. 5721, entitled

A bill to amend 1991 PA 179, entitled "Michigan telecommunications act," by amending sections 101, 103, 201, 203, 203a, 213, 302, 303, 304, 310, 312, 502, 503, 506, and 601 (MCL 484.2101, 484.2103, 484.2201, 484.2203, 484.2203a, 484.2213, 484.2302, 484.2303, 484.2304, 484.2310, 484.2312, 484.2502, 484.2503, 484.2506, and 484.2601), sections 101, 203, 213, 303, 304, 310, 312, and 601 as amended and sections 203a, 502, and 503 as added by 1995 PA 216, section 506 as added by 1998 PA 259, and by adding sections 214, 316a, 507, and 701; and to repeal acts and parts of acts.

The House of Representatives has passed the bill.

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

Recess

Senator Rogers moved that the Senate recess until 2:30 p.m.

The motion prevailed, the time being 1:46 p.m.

The Senate reconvened at the expiration of the recess, and pursuant to rule 1.101, in the absence of the Presiding Officer, the Senate was called to order by the Secretary of the Senate.

Recess

Senator Rogers moved that the Senate recess subject to the call of the President. The motion prevailed, the time being 2:31 p.m.

2:36 p.m.

By unanimous consent the Senate returned to the order of

Motions and Communications

Senator Rogers moved that the rules be suspended and that the following bills, now on the order of Third Reading of Bills, be placed on their immediate passage:

Senate Bill No. 1208

Senate Bill No. 1209

Senate Bill No. 1210

Senate Bill No. 1211

Senate Bill No. 1277

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

Senator Rogers moved to reconsider the vote by which the following bill was passed:

Senate Bill No. 5281

The question being on the motion to reconsider,

Senator Rogers moved that further consideration of the bill be postponed temporarily.

The motion prevailed.

Recess

Senator Rogers moved that the Senate recess subject to the call of the President. The motion prevailed, the time being 2:39 p.m.

3:45 p.m.

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

By unanimous consent the Senate returned to the order of

Messages from the House

The House of Representatives returned, in accordance with the request of the Senate

House Bill No. 4684, entitled

A bill to amend 1961 PA 236, entitled "An act to revise and consolidate the statutes relating to the organization and jurisdiction of the courts of this state; the powers and duties of such courts, and of the judges and other officers thereof; the forms and attributes of civil claims and actions; the time within which civil actions and proceedings may be brought in said courts; pleading, evidence, practice and procedure in civil and criminal actions and proceedings in said courts; to provide remedies and penalties for the violation of certain provisions of this act; to repeal all acts and parts of acts inconsistent with or contravening any of the provisions of this act; and to repeal acts and parts of acts," by amending section 2162 (MCL 600.2162), as amended by 1994 PA 67.

Senator Rogers moved that rule 3.311 be suspended to permit reconsideration of the vote by which the bill was passed.

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

Senator Rogers moved to reconsider the vote by which the bill was passed.

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

The bill was placed on the order of Third of Reading of Bills.

By unanimous consent the Senate returned to the order of

Third Reading of Bills

Senator Rogers moved that Senators Gast and DeGrow be temporarily excused from the balance of today's session. The motion prevailed.

Senator Rogers moved that Senators Steil and Bullard be excused from the balance of today's session. The motion prevailed.

Senator V. Smith moved that Senator A. Smith be temporarily excused from the balance of today's session. The motion prevailed.

Senator V. Smith moved that Senator Hart be excused from the balance of today's session. The motion prevailed.

The following bill was announced:

House Bill No. 4684, entitled

A bill to amend 1961 PA 236, entitled "An act to revise and consolidate the statutes relating to the organization and jurisdiction of the courts of this state; the powers and duties of such courts, and of the judges and other officers thereof; the forms and attributes of civil claims and actions; the time within which civil actions and proceedings may be brought in said courts; pleading, evidence, practice and procedure in civil and criminal actions and proceedings in said courts; to provide remedies and penalties for the violation of certain provisions of this act; to repeal all acts and parts of acts inconsistent with or contravening any of the provisions of this act; and to repeal acts and parts of acts," by amending section 2162 (MCL 600.2162), as amended by 1994 PA 67.

The question being on the passage of the bill,

Senator Van Regenmorter offered the following amendment:

1. Amend page 4, following line 7, by inserting:

"Enacting section 1. This act takes effect 90 days after the date this act is enacted.".

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

Senator V. Smith moved that Senators Vaughn and Young be temporarily excused from the balance of today's session. The motion prevailed.

Senators A. Smith, Vaughn and Young entered the Senate Chamber.

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.	331	Yeas—2	29

Byrum	Hoffman	Miller	Shugars
DeBeaussaert	Jaye	Murphy	Sikkema
Dunaskiss	Johnson	North	Smith, A.
Emerson	Koivisto	Peters	Stille
Emmons	Leland	Rogers	Van Regenmorter
Goschka	McCotter	Schuatta	Vaughn

Goschka McCotter Schuette Vaughn
Gougeon McManus Schwarz Young
Hammerstrom

Nays—3

Cherry Dingell Smith, V.

Excused—6

Bennett DeGrow Hart Steil
Bullard Gast

Not Voting—0

In The Chair: Schwarz

Senators Gast and DeGrow entered the Senate Chamber.

By unanimous consent the Senate proceeded to consideration of the following bill:

Senate Bill No. 1209, entitled

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," by amending sections 102, 224, 240, and 2213 (MCL 500.102, 500.224, 500.240, and 500.2213), section 224 as amended by 1998 PA 121, section 240 as amended by 1987 PA 261, and section 2213 as added by 1996 PA 517, and by adding chapter 35; and to repeal acts and parts of acts.

The above bill was read a third time.

The question being on the passage of the bill,

Senator Leland offered the following amendment:

- 1. Amend page 18, following line 2, by inserting:
- "(x) OTHER HEALTH SERVICES IF CONSIDERED MEDICALLY NECESSARY BY THE TREATING PHYSICIAN.".

The amendment was not adopted, a majority of the members serving not voting therefor.

Senator V. Smith requested the year 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. 332 Yeas—14

Byrum Goschka Murphy Smith, V. Cherry Koivisto Peters Vaughn DeBeaussaert Leland Smith, A. Young Dingell Miller

Nays-18

DeGrowHammerstromMcManusSchwarzEmersonHoffmanNorthShugarsEmmonsJayeRogersStille

Gast Johnson Schuette Van Regenmorter

Gougeon McCotter

Excused—4

Bennett Bullard Hart Steil

Not Voting—2

Dunaskiss Sikkema

In The Chair: Schwarz

Protest

Senator Shugars, under his constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the amendment offered by Senator Leland to Senate Bill No. 1209 and moved that the statements he made during the discussion of the amendment be printed as his reasons for voting "no."

The motion prevailed.

Senator Shugars' first statement is as follows:

I rise in opposition of this amendment, although it sounds like it's the right thing to do. The difficulty is that it will gut managed care completely. And although maybe some managed care organizations use a financial incentive rather than the best practices of health care, there are some of those cases. Hopefully, the package of bills that we're dealing with will improve that. However, let's go back a little way and look at health care.

Health care costs were rising 10 years ago by double digits. The national government came forward with a national health care system with a proposal of managed care, having the federal government manage it with no options or choices for the purchaser of that. So the people in Congress voted that down, and now we're in a system that is managed care with choices. So, typically, the most health care coverage is purchased by employers in the state of Michigan. Those employers shop around. They use managed care in some cases. They use the indemnity policies in some cases. In most cases, they're self-funded, and they're regulated under ERISA plans.

And so the marketplace is changing. At least the purchaser has choices, and the subscriber, who's typically the patient, can go to the employer and can try to convince them to look at a fee for service. But the problem is that the employer has been hit with increasing fringe benefit costs. They have a choice, and at some point in time, they're going to discontinue health care coverage, or they'll start giving vouchers. The individual's going to have to make that choice completely.

When you pass a Leland amendment like this, you totally take that tool of managing health care costs. I don't think people back home want to increase taxes for the Medicaid managed care to cover that if we get rid of managed care and go back to the old fee-for-service system. And I don't believe the employers are going to cut labor and individuals' pay to put more money in fringe benefits. We already know that health care cost premiums are going to double digits in the next 10-15 years, according to testimony from the Economic Alliance, experts who deal with this. By doing this type of amendment, you take a tool away from employers who are trying to do the best they can to manage health care costs and provide the best guidelines for providing that. So I urge my colleagues to reject this amendment.

Senator Shugars' second statement is as follows:

Two other points I'd like to make. No. 1 is that amendment increase very well would have had unintentional consequences for employers, especially the small employers, discontinuing health care for their employees. And that's a major concern when we have about 90 percent of the people in Michigan covered with some type of health care coverage. I don't think increasing the uninsured is a wise policy.

No. 2 is that this amendment only dealt with the small groups in the individual policies in the state of Michigan of which most of the individuals are under ERISA. So the big businesses escaped that amendment, and it really was an added tax to small businesses and individual policies.

Senator Rogers moved that Senator Sikkema be excused from the balance of today's session. The motion prevailed.

Senator Leland offered the following amendment:

- 1. Amend page 46, following line 12, by inserting:
- "SEC. 3542. (1) IF REQUESTED BY AN ENROLLEE, A HEALTH MAINTENANCE ORGANIZATION SHALL PROVIDE OR AUTHORIZE A SECOND OPINION BY AN APPROPRIATELY QUALIFIED HEALTH PROFESSIONAL FOR ANY OF THE FOLLOWING REASONS:
- (A) IF THE ENROLLEE QUESTIONS THE REASONABLENESS OR NECESSITY OF A RECOMMENDED SURGICAL PROCEDURE.
- (B) IF THE ENROLLEE QUESTIONS A DIAGNOSIS OR PLAN OF CARE FOR A CONDITION THAT THREATENS LOSS OF LIFE, LOSS OF LIMB, LOSS OF BODILY FUNCTION, OR SUBSTANTIAL IMPAIRMENT, INCLUDING, BUT NOT LIMITED TO, A SERIOUS CHRONIC CONDITION.
- (C) IF THE CLINICAL INDICATIONS ARE NOT CLEAR OR ARE COMPLEX AND CONFUSING, A DIAGNOSIS IS IN DOUBT DUE TO CONFLICTING TEST RESULTS, OR THE TREATING HEALTH PROFESSIONAL IS UNABLE TO DIAGNOSE THE CONDITION.
- (D) IF THE TREATMENT PLAN IN PROGRESS IS NOT IMPROVING THE ENROLLEE'S MEDICAL CONDITION WITHIN AN APPROPRIATE PERIOD OF TIME GIVEN THE DIAGNOSIS AND PLAN OF CARE.
- (2) IF THE HEALTH MAINTENANCE ORGANIZATION APPROVES A REQUEST FOR A SECOND OPINION TO BE GIVEN BY A NONAFFILIATED QUALIFIED HEALTH PROFESSIONAL, THE HEALTH MAINTENANCE ORGANIZATION IS RESPONSIBLE TO PAY FOR THE SECOND OPINION ONLY WHAT THE HEALTH MAINTENANCE ORGANIZATION WOULD PAY FOR A SECOND OPINION BY AN AFFILIATED QUALIFIED HEALTH PROFESSIONAL.
- (3) AS USED IN THIS SECTION, "APPROPRIATELY QUALIFIED HEALTH PROFESSIONAL" MEANS A PRIMARY CARE PHYSICIAN OR A SPECIALIST WHO IS ACTING WITHIN HIS OR HER SCOPE OF PRACTICE

AND WHO POSSESSES A CLINICAL BACKGROUND, INCLUDING TRAINING AND EXPERTISE, RELATED TO THE PARTICULAR ILLNESS, DISEASE, OR CONDITION ASSOCIATED WITH THE REQUEST FOR A SECOND OPINION.".

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. 333

Yeas—17

Byrum Goschka Miller Smith, A. Cherry Jaye Murphy Smith, V. DeBeaussaert Koivisto Peters Vaughn Dingell Leland Schwarz Young Emerson

Nays-16

DeGrowGougeonMcCotterSchuetteDunaskissHammerstromMcManusShugarsEmmonsHoffmanNorthStille

Gast Johnson Rogers Van Regenmorter

Excused—5

Bennett Hart Sikkema Steil Bullard

Not Voting—0

In The Chair: Schwarz

Senator Byrum offered the following amendment:

1. Amend page 11, following line 20, by inserting:

"CHAPTER 3.

MANAGED CARE OMBUDSMAN

SEC. 301. AS USED IN THIS CHAPTER:

- (A) "CONSUMER" MEANS A RESIDENT OF THIS STATE WHO IS UNDER MANAGED CARE.
- (B) "MANAGED CARE PLAN" MEANS A HEALTH PLAN OFFERED BY A HEALTH MAINTENANCE ORGANIZATION OR A POLICY, CERTIFICATE, OR CONTRACT OFFERED BY A HEALTH INSURER OR HEALTH CARE CORPORATION UNDER WHICH COVERED INDIVIDUALS ELECT TO OBTAIN HEALTH CARE SERVICES FROM HEALTH CARE PROVIDERS WHO HAVE ENTERED INTO PRUDENT PURCHASER AGREEMENTS.
 - (C) "OMBUDSMAN" MEANS THE MANAGED CARE OMBUDSMAN.
- SEC. 303. (1) THE MANAGED CARE OMBUDSMAN'S OFFICE IS CREATED AS AN INDEPENDENT OFFICE WITHIN THE INSURANCE BUREAU OF THE DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES.
 - (2) THE PRINCIPAL EXECUTIVE OFFICER OF THE OFFICE IS THE MANAGED CARE OMBUDSMAN. SEC. 305. THE OMBUDSMAN SHALL DO ALL OF THE FOLLOWING:
 - (A) ADVISE THE LEGISLATURE ON ISSUES REGARDING MANAGED CARE.
 - (B) REVIEW AND COMMENT ON MANAGED CARE ISSUES INVOLVING THE INSURANCE BUREAU.

- (C) RESEARCH AND INVESTIGATE MATTERS THAT AFFECT THE QUALITY, DELIVERY, COSTS, MANAGEMENT, AND OPERATION OF MANAGED CARE AS IT AFFECTS CONSUMERS.
- (D) PROVIDE TECHNICAL ASSISTANCE AND ACT AS A RESOURCE TO CONSUMERS REGARDING MANAGED CARE INCLUDING ALL OF THE FOLLOWING:
 - (i) EDUCATING CONSUMERS ABOUT THEIR RIGHTS AND RESPONSIBILITIES.
- (ii) ASSISTING CONSUMERS WITH FILING GRIEVANCES AND APPEALS OF MANAGED CARE PLAN DETERMINATIONS.
- (iii) DISSEMINATING INFORMATION AND REPORTS CONCERNING MANAGED CARE PLANS AND ISSUES.
- (E) ESTABLISH A STATEWIDE TOLL-FREE TELEPHONE LINE TO GIVE STATE RESIDENTS ACCESS TO THE OMBUDSMAN'S OFFICE.
- SEC. 307. (1) CORRESPONDENCE BETWEEN THE OMBUDSMAN AND A CONSUMER IS CONFIDENTIAL AND EXEMPT FROM DISCLOSURE UNDER THE FREEDOM OF INFORMATION ACT, 1976 PA 442, MCL 15.231 TO 15.246.
- (2) THE OMBUDSMAN SHALL MAINTAIN CONFIDENTIALITY WITH RESPECT TO ALL MATTERS AND THE IDENTITIES OF COMPLAINANTS OR PERSONS FROM WHOM INFORMATION IS ACQUIRED, EXCEPT TO THE EXTENT DISCLOSURE IS NECESSARY TO ENABLE THE OMBUDSMAN TO PERFORM THE DUTIES OF THE OFFICE OR TO SUPPORT RECOMMENDATIONS RESULTING FROM AN INVESTIGATION.
- SEC. 309. THE OMBUDSMAN SHALL SUBMIT TO THE LEGISLATURE AN ANNUAL REPORT ON THE ACTIONS OF THE OFFICE, ON ISSUES AND MATTERS UNDER SECTION 305(A), (B), AND (C), AND ON THE NEED FOR ANY SUGGESTED LEGISLATIVE ACTION.".

The question being on the adoption of the amendment,

Senator Byrum 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. 334 Yeas—17

Byrum	Emmons	Leland	Smith, A.
Cherry	Goschka	Miller	Smith, V.
DeBeaussaert	Hammerstrom	Murphy	Vaughn
Dingell	Koivisto	Peters	Young
Emerson			

Navs-16

DeGrow	Hoffman	McManus	Schwarz
Dunaskiss	Jaye	North	Shugars
Gast	Johnson	Rogers	Stille
Gougeon	McCotter	Schuette	Van Regenmorter

Excused—5

Bennett	Hart	Sikkema	Steil
Bullard			

Not Voting—0

In The Chair: Schwarz

Senator Hammerstrom offered the following amendment:

- 1. Amend page 46, following line 12, by inserting:
- "SEC. 3542. (1) A HEALTH MAINTENANCE ORGANIZATION SHALL NOT USE ANY FINANCIAL INCENTIVE OR MAKE ANY PAYMENT TO A HEALTH PROFESSIONAL THAT ACTS DIRECTLY OR INDIRECTLY AS AN INDUCEMENT TO DENY, REDUCE, LIMIT, OR DELAY SPECIFIC MEDICALLY NECESSARY AND APPROPRIATE SERVICES.
- (2) SUBSECTION (1) DOES NOT PROHIBIT PAYMENT ARRANGEMENTS THAT ARE NOT TIED TO SPECIFIC MEDICAL DECISIONS OR PROHIBIT THE USE OF RISK SHARING AS OTHERWISE AUTHORIZED IN THIS CHAPTER.".

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

Senator Hammerstrom offered the following amendment:

1. Amend page 55, line 4, after "INSOLVENCY." by inserting "A CONTRACT UNDER THIS SUBDIVISION SHALL PROVIDE A MECHANISM FOR APPROPRIATE SHARING BY THE HEALTH MAINTENANCE ORGANIZATION OF THE CONTINUATION OF PROVIDER SERVICES AS APPROVED BY THE COMMISSIONER AND SHALL NOT PROVIDE THAT CONTINUATION OF PROVIDER SERVICES IS SOLELY THE RESPONSIBILITY OF THE AFFILIATED PROVIDERS.".

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

The question being on the passage of the bill,

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

Roll Call No. 335

Yeas—32

Byrum	Gast	Leland	Schuette
Cherry	Goschka	McCotter	Schwarz
DeBeaussaert	Gougeon	McManus	Shugars
DeGrow	Hammerstrom	Miller	Smith, A.
Dingell	Hoffman	Murphy	Stille
Dunaskiss	Jaye	North	Van Regenmorter
Emerson	Johnson	Peters	Vaughn
Emmons	Koivisto	Rogers	Young

Nays—0

Excused—5

Bennett Hart Sikkema Steil

Not Voting—1

Smith, V.

In The Chair: Schwarz

The Senate agreed to the title of the bill.

Senator Emerson moved that Senator V. Smith be excused from the balance of today's session. The motion prevailed.

The following bill was read a third time:

Senate Bill No. 1210, entitled

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," (MCL 500.100 to 500.8302) by adding section 3580.

Yeas—32

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. 336

Byrum Gast Leland Schuette Cherry Goschka McCotter Schwarz DeBeaussaert Gougeon McManus Shugars **DeGrow** Hammerstrom Miller Smith, A. Dingell Hoffman Murphy Stille Dunaskiss North Van Regenmorter Jave

EmersonJohnsonPetersVaughnEmmonsKoivistoRogersYoung

Nays—0

Excused—6

Bennett Hart Smith, V. Steil Bullard Sikkema

Not Voting—0

In The Chair: Schwarz

The Senate agreed to the title of the bill.

The following bill was read a third time:

Senate Bill No. 1211, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending sections 20106, 20124, 20161, and 22205 (MCL 333.20106, 333.20124, 333.20161, and 333.22205), sections 20106 and 20161 as amended by 1996 PA 267 and section 22205 as amended by 1993 PA 88.

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. 337 Yeas—32

Byrum Gast Leland Schuette Cherry Goschka McCotter Schwarz Gougeon Shugars DeBeaussaert McManus DeGrow Hammerstrom Miller Smith, A. Dingell Hoffman Murphy Stille Dunaskiss Jaye North Van Regenmorter

Emerson Johnson Peters Vaughn
Emmons Koivisto Rogers Young

Nays—0

Excused—6

Bennett Hart Smith, V. Steil Bullard Sikkema

Not Voting—0

In The Chair: Schwarz

The Senate agreed to the title of the bill.

By unanimous consent the Senate proceeded to consideration of the following bill:

Senate Bill No. 1277, entitled

A bill to amend 1939 PA 3, entitled "An act to provide for the regulation and control of public utilities and other services affected with a public interest within this state; to create a public service commission and to prescribe and define its powers and duties; to abolish the Michigan public utilities commission and to confer the powers and duties vested by law therein on the public service commission; to provide for the continuance, transfer, and completion of certain matters and proceedings; to abolish automatic adjustment clauses; to prohibit rate increases without notice and hearing; to qualify residential energy conservation programs permitted under state law for certain federal exemption; to provide for a restructuring of rates for certain utilities; to encourage the utilization of resource recovery facilities; to provide for appeals; to provide appropriations; to declare the effect of this act; to prescribe penalties; and to repeal all acts contrary to this act," (MCL 460.1 to 460.8) by adding section 10z.

The above bill was read a third time.

The question being on the passage of the bill,

Senator Rogers moved that further consideration of the bill be postponed temporarily.

The motion prevailed.

The Assistant President pro tempore, Senator Hoffman, assumed the Chair.

By unanimous consent the Senate returned to consideration of the following bill:

Senate Bill No. 1208, entitled

A bill to provide review of certain health care coverage adverse determinations made by health carriers; to prescribe eligibility, powers, and duties of certain independent review organizations; to prescribe the powers and duties of certain health carriers; to prescribe the powers and duties of certain persons; to prescribe the powers and duties of certain state officials; to provide for the reporting of certain information; to provide fees; and to provide penalties for violations of this act.

The above bill was read a third time.

The question being on the passage of the bill,

Senator Byrum offered the following amendments:

- 1. Amend page 7, following line 20, by inserting:
- "Sec. 6. (1) A health carrier shall exercise ordinary care when making a health care treatment decision and is liable for damages for harm to a covered person proximately caused by its failure to exercise ordinary care.
- (2) A health carrier is liable for damages for harm to a covered person proximately caused by a health care treatment decision made by a health carrier employee, agent, ostensible agent, or representative acting on behalf of the health carrier and over whom the health carrier has the right to exercise influence or control or has exercised influence or control that resulted in the failure to exercise ordinary care. However, a finding that a health care provider is an employee, agent, ostensible agent, or representative of a health carrier shall not be based solely on proof that the individual's name appears in a listing of approved providers made available by the health carrier.

- (3) Both of the following are defenses in an action brought pursuant to subsection (1) or (2):
- (a) Neither the health carrier nor its employee, agent, ostensible agent, or representative controlled, influenced, or participated in the health care treatment decision.
- (b) The health carrier did not deny or delay payment for any treatment prescribed or recommended by a provider to the covered person.
- (4) This section does not create an obligation for a health carrier to provide to a covered person treatment that is not covered by the health carrier contract with the covered person.
- (5) This section does not create any liability on the part of an employer, employer purchasing group, welfare benefit plan, or other entity that purchases coverage or assumes risk on behalf of its employees or participants.
- (6) For purposes of the revised judicature act of 1961, 1961 PA 236, MCL 600.101 to 600.9948, this section does not create a medical malpractice cause of action.
 - (7) As used in this section:
- (a) "Health care treatment decision" means either a determination as to when the health carrier actually provides medical services or a decision that affects the quality of the diagnosis, care, or treatment provided to the covered person.
- (b) "Ordinary care" means for a health carrier that degree of care that a health carrier of ordinary prudence would use under the same or similar circumstances. For an employee, agent, ostensible agent, or representative acting on behalf of the health carrier, ordinary care means that degree of care that a person of ordinary prudence in the same profession, specialty, or area of practice as that person would use under the same or similar circumstances.".
- 2. Amend page 28, line 19, after "(1)" by striking out "If" and inserting "Except as otherwise provided in subsection (5), if".
 - 3. Amend page 30, following line 3, by inserting:
 - "(5) This section does not apply to a violation of section 6.".

The question being on the adoption of the amendments,

Senator Byrum requested the yeas and nays.

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

The amendments were not adopted, a majority of the members serving not voting therefor, as follows:

Roll Call No. 338 Yeas—14

Byrum	Emerson	Miller	Smith, A.
Cherry	Goschka	Murphy	Vaughn
DeBeaussaert	Koivisto	Peters	Young
Dingell	Leland		_

Nays—18

DeGrow	Hammerstrom	McManus	Schwarz
Dunaskiss	Hoffman	North	Shugars
Emmons	Jaye	Rogers	Stille
Gast	Johnson	Schuette	Van Regenmorter
Gougeon	McCotter		_

Excused—6

Bennett	Hart	Smith, V.	Steil
Bullard	Sikkema		

Not Voting—0

In The Chair: Hoffman

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. 339 Yeas—32

Schuette **Byrum** Gast Leland Cherry Goschka McCotter Schwarz DeBeaussaert Gougeon McManus Shugars DeGrow Hammerstrom Smith, A. Miller Dingell Hoffman Murphy Stille Dunaskiss Jaye North Van Regenmorter

Emerson Johnson Peters Vaughn Emmons Koivisto Rogers Young

Nays-0

Excused—6

Bennett Hart Smith, V. Steil

Bullard Sikkema

Not Voting—0

In The Chair: Hoffman

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

A bill to provide review of certain health care coverage adverse determinations made by health carriers; to prescribe eligibility, powers, and duties of certain independent review organizations; to prescribe the powers and duties of certain health carriers; to prescribe the powers and duties of certain persons; to prescribe the powers and duties of certain state officials; to provide for the reporting of certain information; to establish the cancer clinical trials fund; to provide fees; and to provide penalties for violations of this act.

The amendment to the title was adopted.

The Senate agreed to the title as amended.

By unanimous consent the Senate returned to consideration of the following bill:

Senate Bill No. 1277, entitled

A bill to amend 1939 PA 3, entitled "An act to provide for the regulation and control of public utilities and other services affected with a public interest within this state; to create a public service commission and to prescribe and define its powers and duties; to abolish the Michigan public utilities commission and to confer the powers and duties vested by law therein on the public service commission; to provide for the continuance, transfer, and completion of certain matters and proceedings; to abolish automatic adjustment clauses; to prohibit rate increases without notice and hearing; to qualify residential energy conservation programs permitted under state law for certain federal exemption; to provide for a restructuring of rates for certain utilities; to encourage the utilization of resource recovery facilities; to provide for appeals; to provide appropriations; to declare the effect of this act; to prescribe penalties; and to repeal all acts contrary to this act," (MCL 460.1 to 460.8) by adding section 10z.

(This bill was read a third time earlier today and consideration postponed. See p. 928.)

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. 340

Yeas—32

Byrum Gast Leland Schuette Cherry Goschka McCotter Schwarz DeBeaussaert Gougeon McManus Shugars DeGrow Hammerstrom Miller Smith, A. Dingell Hoffman Murphy Stille

Dunaskiss Jaye North Van Regenmorter

EmersonJohnsonPetersVaughnEmmonsKoivistoRogersYoung

Nays—0

Excused—6

Bennett Hart Smith, V. Steil

Bullard Sikkema

Not Voting—0

In The Chair: Hoffman

The Senate agreed to the title of the bill.

Senator Rogers moved that Senator Gast be temporarily excused from the balance of today's session. The motion prevailed.

Senator Gast entered the Senate Chamber.

By unanimous consent the Senate returned to consideration of the following bill:

Senate Bill No. 1052, entitled

A bill to amend 1939 PA 288, entitled "Probate code of 1939," by amending section 19b of chapter XIIA (MCL 712A.19b), as amended by 2000 PA 46, and by adding chapter XII.

The above bill was read a third time.

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. 341 Yeas—32

Byrum Gast Leland Schuette Cherry Goschka McCotter Schwarz DeBeaussaert Gougeon McManus Shugars Smith, A. DeGrow Hammerstrom Miller Hoffman Dingell Murphy Stille

Dunaskiss Jaye North Van Regenmorter

EmersonJohnsonPetersVaughnEmmonsKoivistoRogersYoung

Excused—6

Bennett Hart Smith, V. Steil

Bullard Sikkema

Not Voting—0

In The Chair: Hoffman

The Senate agreed to the title of the bill.

The following bill was read a third time:

Senate Bill No. 1053, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by amending section 135 (MCL 750.135).

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. 342 Yeas—32

Gast Leland Schuette Byrum Schwarz Cherry Goschka McCotter DeBeaussaert Gougeon McManus Shugars **DeGrow** Hammerstrom Miller Smith, A. Dingell Hoffman Murphy Stille

Dunaskiss Jaye North Van Regenmorter

Emerson Johnson Peters Vaughn Emmons Koivisto Rogers Young

Nays—0

Excused—6

Bennett Hart Smith, V. Steil

Bullard Sikkema

Not Voting—0

In The Chair: Hoffman

The Senate agreed to the title of the bill.

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

Senate Bill No. 1170

The motion prevailed.

The following bill was read a third time:

Senate Bill No. 1187, entitled

A bill to amend 1975 PA 238, entitled "Child protection law," by amending section 8 (MCL 722.628), as amended by 2000 PA 45.

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. 343

Yeas—31

Byrum Goschka McCotter Cherry McManus Gougeon Hammerstrom DeBeaussaert Miller DeGrow Hoffman Murphy North Dingell Jave Dunaskiss Johnson Peters Emerson Koivisto Rogers **Emmons** Leland Schuette

Van Regenmorter Vaughn

Stille

Schwarz

Shugars

Smith, A.

Young

Nays—0

Excused—6

Bennett Hart Bullard Sikkema Smith, V.

Steil

Not Voting—1

Gast

In The Chair: Hoffman

The Senate agreed to the title of the bill.

Senator Rogers moved that Senators Gast and DeGrow be excused from the balance of today's session. The motion prevailed.

Senator Cherry moved that Senator Emerson be excused from the balance of today's session. The motion prevailed.

By unanimous consent the Senate returned to consideration of the following bill:

House Bill No. 5281, entitled

A bill to make appropriations for the department of natural resources for the fiscal year ending September 30, 2001; to provide for the expenditure of those appropriations; to create funds and accounts; to require reports; to prescribe certain powers and duties of certain state agencies and officials; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by the various state agencies.

(This bill was passed earlier today and the motion to reconsider the vote postponed. See pp. 912, 920.)

The question being on the motion to reconsider the vote by which the bill was passed,

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

Senator Rogers moved to reconsider the vote by which the amendment offered by Senator Jaye was adopted.

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

The question being on the adoption of the amendment,

Senator Jaye withdrew the amendment.

Senator Jaye offered the following amendment:

- 1. Amend page 24, following line 4, by inserting:
- "Sec. 222. Money from the following funds, not otherwise appropriated for office remodeling and renovation projects, shall not be spent for office renovation or remodeling projects unless transferred to an appropriate line item under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393, for remodeling and renovation purposes:
 - (a) Forest resource revenue.
 - (b) Game and fish protection fund.
 - (c) Game and fish protection fund deer habitat reserve.
 - (d) Game and fish protection fund turkey permit fees.
 - (e) Game and fish protection fund waterfowl fees.
 - (f) Game and fish wildlife resource protection fund.
 - (g) Harbor development fund.
 - (h) Marine safety fund.
 - (i) Michigan state waterways fund.
 - (j) Michigan natural resources trust fund.
 - (k) Nongame wildlife fund.
 - (1) Michigan civilian conservation corps endowment fund.
 - (m) Delinquent property tax administration fund.
 - (n) Farmland and open space withdrawal fees.
 - (o) Land exchange facilitation fund.
 - (p) Land sale revenue.
 - (q) Park improvement fund.
 - (r) Snowmobile trail improvement fund.".

The amendment was not adopted, a majority of the members serving not voting therefor.

Senator Jaye requested the yeas and nays.

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

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

Roll Call No. 344

Yeas—22

Byrum	Goschka	Leland	Peters
Cherry	Gougeon	McCotter	Schuette
DeBeaussaert	Hammerstrom	Miller	Stille
Dingell	Hoffman	Murphy	Van Regenmorter
Dunaskiss	Jaye	North	Young
Emmons	Johnson		

Nays—4

McManus	Schwarz	Shugars	Smith, A.
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Excused—9

Bennett	Emerson	Hart	Smith, V.
Bullard	Gast	Sikkema	Steil
DeGrow			

Not Voting—3

Koivisto Rogers Vaughn

In The Chair: Hoffman

Senator Rogers moved to reconsider the vote by which the amendment was adopted.

The question being on the motion to reconsider,

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

The motion prevailed.

Committee Reports

The Committee on Finance reported

House Bill No. 4891, entitled

A bill to amend 1933 PA 167, entitled "General sales tax act," by amending section 17 (MCL 205.67), as amended by 1995 PA 254.

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.

Joanne Emmons Chairperson

To Report Out:

Yeas: Senators Emmons, Hammerstrom and Peters

Navs: None

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

The Committee on Finance reported

House Bill No. 5260, entitled

A bill to amend 1973 PA 186, entitled "Tax tribunal act," by amending section 35 (MCL 205.735), as amended by 1994 PA 254.

With the recommendation that the bill pass.

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

Joanne Emmons Chairperson

To Report Out:

Yeas: Senators Emmons, Hammerstrom and Peters

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Finance reported

House Bill No. 5653, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending section 30 (MCL 206.30), as amended by 1999 PA 181.

With the recommendation that the following amendment be adopted and that the bill then pass:

- 1. Amend page 9, line 25, after "YEAR." by inserting "A DEDUCTION UNDER THIS SUBPARAGRAPH IS NOT ALLOWED FOR CONTRIBUTIONS TO AN EDUCATION SAVINGS ACCOUNT IN THE TAX YEAR IN WHICH THE INITIAL WITHDRAWAL IS MADE FROM THAT ACCOUNT OR ANY SUBSEQUENT YEAR.".
 - 2. Amend page 9, line 26, after "SECTION" by striking out "30F (A)" and inserting "30F".

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

Joanne Emmons Chairperson To Report Out:

Yeas: Senators Emmons, Bullard, Hammerstrom, Peters and Dingell

Nays: None

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

The Committee on Finance reported

House Bill No. 5654, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," (MCL 206.1 to 206.532) by adding section 30f. With the recommendation that the bill pass.

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

Joanne Emmons Chairperson

To Report Out:

Yeas: Senators Emmons, Bullard, Hammerstrom, Peters and Dingell

Nays: None

The bill was referred to the Committee of the Whole.

COMMITTEE ATTENDANCE REPORT

The Committee on Finance submits the following:

Meeting held on Tuesday, May 23, 2000, at 1:05 p.m., 8th Floor Conference Room, Farnum Building

Present: Senators Emmons (C), Bullard, Hammerstrom, Peters and Dingell

COMMITTEE ATTENDANCE REPORT

The Subcommittee on Transportation submits the following:

Meeting held on Wednesday, May 17, 2000, at 8:30 a.m., Senate Appropriations Room, Capitol Building

Present: Senators Hoffman (C), Goschka and Young

COMMITTEE ATTENDANCE REPORT

The Subcommittee on Transportation submits the following:

Meeting held on Thursday, May 18, 2000, at 12:50 p.m., Room 210, Farnum Building

Present: Senators Hoffman (C), Goschka and Young

COMMITTEE ATTENDANCE REPORT

The Subcommittee on Transportation submits the following:

Meeting held on Tuesday, May 23, 2000, at 8:30 a.m., Senate Appropriations Room, Capitol Building

Present: Senators Hoffman (C), Goschka and Young

Scheduled Meetings

Administrative Rules, Joint - Thursday, May 25, 8:30 a.m., Rooms 425 and 426, Capitol Building (373-6476)

Subcommittee -

Capital Outlay - Thursday, May 25, 8:45 a.m., House Appropriations Room, 3rd Floor, Capitol Building (373-6960)

Conference Committee -

HB 5058 - Thursday, May 25, 9:30 a.m., Room 428, Capitol Building (373-1707)

Government Operations - Thursday, May 25, 1:00 p.m., Room 405, Capitol Building (373-1707)

Judiciary - Recessed until Thursday, May 25, 11:00 a.m., Elijah Myers Room, 2nd Floor, Capitol Building (373-6920)

Technology and Energy - Thursday, May 25, 1:00 p.m. or later immediately following session, Rooms 402 and 403, Capitol Building (373-2417)

Senator Rogers moved that the Senate adjourn. The motion prevailed, the time being 5:05 p.m.

The Assistant President pro tempore, Senator Hoffman, declared the Senate adjourned until Thursday, May 25, at 10:00 a.m.

CAROL MOREY VIVENTI Secretary of the Senate.