

**No. 48**  
**STATE OF MICHIGAN**  
**Journal of the Senate**  
**91st Legislature**  
**REGULAR SESSION OF 2002**

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Senate Chamber, Lansing, Thursday, May 23, 2002.

10:00 a.m.

The Senate was called to order by the Assistant President pro tempore, Senator Philip E. Hoffman.

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

Bennett—present  
Bullard—present  
Byrum—excused  
Cherry—present  
DeBeaussaert—present  
DeGrow—present  
Dingell—present  
Dunaskiss—present  
Emerson—present  
Emmons—present  
Garcia—present  
Gast—present  
Goschka—present

Gougeon—present  
Hammerstrom—present  
Hart—present  
Hoffman—present  
Johnson—present  
Koivisto—present  
Leland—present  
McCotter—present  
McManus—present  
Miller—present  
Murphy—present  
North—present  
Peters—present

Sanborn—present  
Schuette—present  
Schwarz—present  
Scott—present  
Shugars—present  
Sikkema—present  
Smith—present  
Steil—present  
Stille—present  
Van Regenmorter—present  
Vaughn—excused  
Young—excused

Senator Thaddeus G. McCotter of the 9th District offered the following invocation:

Lord, of the estrangement between us, the poet Powell B. Knighten once wrote: "We pin dancing angels, too chaste to embrace, too frail to escape this narrow vein of comfort."

God, as we gather to honor the memory of those You called to give their lives for us, inspire us to live our lives for each other. Grant us the wisdom and strength to sense and seize the moments—that we might bridge our estrangements and begin to help and heal, live and feel as we should—as we must. Amen.

### Motions and Communications

Senator Emmons moved that Senators Goschka and Schwarz be temporarily excused from today's session. The motion prevailed.

Senator Cherry moved that Senators Emerson and Murphy be temporarily excused from today's session. The motion prevailed.

Senator Cherry moved that Senator Byrum and Young be excused from today's session. The motion prevailed.

Senator Murphy entered the Senate Chamber.

Senator Emmons moved that rule 3.902 be suspended to allow the guests of Senator Shugars admittance to the Senate floor, including the center aisle.

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

Senator Emmons moved that rule 3.901 be suspended to allow photographs to be taken from the Senate floor, including the center aisle and Gallery.

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

### Recess

Senator Emmons moved that the Senate recess subject to the call of the Chair. The motion prevailed, the time being 10:06 a.m.

11:01 a.m.

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

During the recess, Senator Shugars conducted the 8th Annual Memorial Day Ceremony in honor of the military who have served during wartime. The ceremony was accompanied by the American Legion Charlton-Polan Post 233 Honor Guard of Lake Orion, Kalamazoo Pipe Band, and vocalist Corrie Mehl, of Harbor Creek High School of Leroy, who sang the "National Anthem."

Senator Garcia introduced Richard P. Thelen of the *USS Indianapolis CA 35*, who addressed the Senate with his story of survival during World War II.

Senator DeGrow introduced James N. Goldsmith, Commander-in-Chief of the Veterans of Foreign Wars of the United States, who responded briefly.

Commander Goldsmith responded briefly.

Dale Sprosty, formerly of the First Army Headquarters Band, performed "Taps."

During the recess, Senators Schwarz, Emerson and Goschka entered the Senate Chamber.

The following communications were received:  
Department of State

Administrative Rules  
Notices of Filing

April 16, 2002

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 10:10 a.m. this date,

administrative rule (02-04-04) for the Department of Agriculture, Fairs, Exhibitions and Racing Division, entitled “*Regulation No. 851. Michigan State Fair,*” effective 7 days hereafter.

April 16, 2002

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 2:42 p.m. this date, administrative rule (02-04-06) for the Department of Agriculture, Fairs, Exhibitions and Racing Division, entitled “*Regulation No. 814. Michigan Futurity,*” effective 7 days hereafter.

May 13, 2002

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 2:50 p.m. this date, administrative rule (02-05-01) for the Department of Consumer and Industry Services, Director’s Office, entitled “*Real Estate Appraisers,*” effective 7 days hereafter.

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

The communications were referred to the Secretary for record.

The Secretary announced that the following House bills were received in the Senate and filed on Wednesday, May 22:  
**House Bill Nos. 5994 5995 5996 5997**

The Secretary announced the printing and placement in the members’ files on Wednesday, May 22, of:  
**Senate Bill Nos. 1340 1341 1342 1343 1344 1345 1346 1347 1348**  
**House Bill Nos. 6108 6109 6110 6111 6112 6113**

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

Senator Emmons moved that the Senate resolve itself into the Committee of the Whole for consideration of the General Orders calendar.

The motion prevailed, and the Assistant President pro tempore, Senator Hoffman, designated Senator Smith as Chairperson.

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

**House Bill No. 5587, entitled**

A bill to amend 1893 PA 206, entitled “The general property tax act,” by amending section 44 (MCL 211.44), as amended by 2000 PA 364.

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:  
**Senate Bill No. 1278, entitled**

A bill to amend 1975 PA 228, entitled “Single business tax act,” by amending section 19 (MCL 208.19), as amended by 2001 PA 278.

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:  
**House Bill No. 5591, entitled**

A bill to amend 1967 PA 281, entitled “Income tax act of 1967,” by amending section 471 (MCL 206.471), as amended by 1996 PA 484.

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 amendment, the following bill:

**House Bill No. 5860, entitled**

A bill to amend 1893 PA 206, entitled “The general property tax act,” by amending section 42a (MCL 211.42a), as amended by 1994 PA 415.

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

1. Amend page 1, line 10, after “ROLL.” by inserting “THIS SUBDIVISION SHALL NOT BE CONSTRUED TO PROHIBIT A LOCAL TAX COLLECTING UNIT FROM SEEKING AUTHORIZATION FROM THE STATE TAX COMMISSION TO USE A COMPUTERIZED DATA BASE SYSTEM DEVELOPED BY THE LOCAL TAX COLLECTING UNIT.”.

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

By unanimous consent the Senate proceeded to the order of

**Statements**

Senators Miller, Leland, Scott, Cherry, Gougeon and Hart asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Miller’s statement is as follows:

First of all, to start out my statement, I want to thank Senator Shugars for the outstanding traditional Memorial Day ceremony.

I wasn’t going to say anything, but with today being my final Memorial Day service here, I want to bring to the attention of the body a thing that has bothered me tremendously over the past recent years. We have a corporation and a company based in this state that sells these plastic cups—these Dart Container Corporation cups. I want every member to know that this corporation had two of its leading officers renounce their citizenship to hide more corporate profits.

We had a group today who came here and has fought for liberty, fought for protection, and fought for all of us not only for World War II, Korea, Vietnam, and the Persian Gulf, but today in Afghanistan. And we continually buy products from this corporation that had its leading officers—who make millions and millions of dollars—say, “Well, I don’t want to be a citizen of the United States anymore.” I got teary-eyed hearing how we had that Michigan resident bob up and down in the ocean for five days to protect the freedom of this country, but yet, we have a corporation whose leading officers decided that they’d rather take their millions and go play in Europe or some other place.

Why does this state do business with them? I don’t care if they are the low bidder. I don’t care if they give the state these products for nothing. We should send the Michigan residents and that corporation a message that we’ve had millions of Americans lives threatened because of terrorists. I consider them. When you renounce your citizenship for people who have given the ultimate sacrifice, we should not be doing business with that company. We need to send a message—I don’t know who; if it’s to the Governor’s office or the purchasing department—that we do not want these Dart cups anymore. When they can’t stand up for America, we shouldn’t be drinking our coffee and buying their products. I wanted to make this speech on my final Memorial Day celebration here that we need to send Dart Container Corporation a message that, “If you can’t stand up for America, we shouldn’t stand up for these cups.”

Senator Leland’s statement is as follows:

One of the things that I really enjoy about being a member of this body is that at times I get up on the floor and I have the opportunity to say a couple things about some people I know. It gives me an opportunity to have some closure also. I appreciate the members just paying attention for a moment. I lost a couple of very dear constituents of mine this week. I wanted just to talk a minute or two about each of them.

One woman was named Joan Decourcy. Joan Decourcy was from the poorest part of my district, an area of Detroit called Brightmoor. There’s probably not a tougher place in the city of Detroit than the Brightmoor community. At times, I have actually gotten up and said a couple of things about that community. Joan Decourcy was 65 years old. She was a community leader in the Brightmoor community. It’s an area of about 10,000 homes and about four square miles.

Joan got up every day, and she was the kind of person who would help out in the soup kitchen—one of those classic feed the hungry and take care of the homeless. She worked in the social service agencies, helping people of lesser means. She never got a whole lot of credit for being the kind of person that she was, but every day she got up and just wanted to make the place a better world. I love her dearly and have worked with her for almost a quarter of a century. I'm going to miss her.

Going to the other extreme now is a woman named Linda Jamerson. Linda Jamerson came from the most affluent part of my district, that being the North Rosedale Park community, which isn't too far from Brightmoor.

Linda unexpectedly died of an aneurism a few nights ago. She was a young woman and a strong believer in her faith—a home schooler and raised six children. She was very active in the North Rosedale Park community and was a former president of the North Rosedale Park community organization.

I went to a memorial dinner last night, and there were hundreds of people who showed up for Linda Jamerson at this community event. You know, you read so many bad things about Detroit sometimes and about my constituents. Linda was a wonderful person. She served her community. She served God. She served her family. She was one of those people who just made Detroit a much better place for serving us all.

I have a lot of good people who live in Detroit and who live in my area. They do such wonderful good things for our community. I just wanted to share my grief with you all and just mention those two people. They are surely going to be missed, and I know that they are going to find their way, if they're not there already, to a better place. I just had to say a couple words just to give myself some closure on that. Thank you for listening.

Senator Scott's statement is as follows:

I would just like to make a few remarks. It was a wonderful ceremony today, but it reminded me of a recent loss that I had—my brother. When they talked about having to go a distance to see your loved ones in a veterans home, I was reminded that we don't have a veterans home down in the Detroit area nearby. I had to go a distance to see him. He had a hard time getting the kind of health care he should have had. So I would hope that we would do a little bit better in taking care of all of our people.

I just picked up a paper here just now, and I saw where it said, "Highland Park Gets a Hand." It's unfortunate, though, that my colleagues didn't think that we needed a hand. We had a wonderful library that we had to close, but I see Detroit has extended that we can come and use their libraries. I also represent Detroit, but I live in Highland Park.

It's really, really disheartening to know that my city is going to close up just in a day or two because I couldn't get \$5 million from my colleagues here to just keep it afloat until our taxes started coming in. So we'll have to close it up, and maybe we can open it back up in August when our taxes come in. But why should we have to close our city? Why should the employees there not be able to continue their jobs? And why can't we continue to have the services that communities are supposed to provide for its people? We're not going to stop paying taxes. We're going to continue paying taxes, but we won't have the service. And \$5 million certainly is not a lot of money.

Well, I understand that Flint was taken over yesterday. I wonder what are you going to do for Flint? I wonder what are you going to do for Ecorse? They're almost there. Then I read just the other day the very affluent community, middle-class Dearborn Heights is saying that they're in trouble. What are you going to do for these people? Well, I hope you do more for them than you're doing for my city.

It is a city that was very, very affluent at one time, but yes, they are in trouble. But you're just going to make matters worse because the potholes are going to get larger. Those who will not receive their pension benefits, they're going to sue. It's just going to make it even worse. So the debt is just going to grow and grow. What do you want us to do? I said to you that if we could not file bankruptcy, then what should we do?

So I have given information out. You know, you haven't heard from me in a couple of days because I thought you were doing something about it. But I haven't heard a word. How long does it take? What does it take? I said to you the other day that maybe I'm on the wrong side of the state, but my taxes are still the same.

I still pay higher insurance rates than others pay. We did a study just recently where just on the south side of Eight Mile Road a person paid three times as much as the one just across the street on the north side. When do we get an opportunity to make a difference?

Well, I thank you for the opportunity. I'm like Senator Leland. It's good that I'm able to say a few words under Statements. I hope you've heard me loud and clear. When things get worse and worse and worse, the blood will be on your hands.

Senator Cherry's statement is as follows:

I listened very closely to the remarks made by my good colleague, the Senator from the 2nd District, as she expressed her frustration with the problems faced by one of her cities and the prospects that her city faces as it is dealing with these financial problems that confront it. And as she pointed out eloquently, her community is not alone in facing these kinds of challenges. I don't have within my district a community that faces imminent financial problems, however, one of my neighboring cities, represented by my colleague from the 29th District, is struggling as she alluded to in her remarks. I know that as these communities struggle, what often happens is that people point their

fingers at those communities and discuss what practices they've had in terms of managing their finances, sometimes even getting to the point of suggesting that the only reason these communities face these problems is because of bad financial practices and that, quite frankly, just a good dose of good accounting will correct the problems that exist there.

Mr. President, as I am coming to observe, there is a common denominator at work here: Each of these communities has seen very significant job loss as the auto industry changes, retrenches, and reconfigures itself to compete in this so-called new global economy. The economies of these central cities are changing dramatically, and that is probably the most significant contributor to the financial problems they face.

Mr. President, I personally would like to commend you for understanding. I've listened to some of the remarks you've made over the past month, and it seems that you've got a good sense of what kind of challenges those communities face and what kind of partnership that the state of Michigan could build with those communities to help them recover from their situation. To me, that is a much more constructive approach than is sometimes taken by simply pointing at those cities and saying, "You know, you brought this problem on yourself, and you're going to have to deal with it yourself." That's not the case. They're dealing with trends and challenges that go well beyond their own boundaries.

I can understand the frustration expressed by the Senator from the 2nd District. When you're faced with those challenges that you cannot control, you'd want to look to your colleagues. You would want to look to this institution. You'd want to look to state government to be an active partner in bringing your community back to life. Unfortunately, oftentimes we find that the role of the state of Michigan that is played—and I don't think in a way that is intentionally designed to be negative—but, you know, they have funded a number of these movements of corporate divisions around in this state, helping some communities but dramatically hurting others. Oftentimes, behind those moves is significant state funding.

Mr. President, when the Senator from the 2nd District stands up and raises the concern faced by her community, she speaks, I think, for many others as well who face those same challenges. I think that we ought to hearken to what she says and remember that our role ought not only be to help a business and enhance one community, but when we do that and cause problems in others, we need to be an active, positive partner with that community in building it back up. I think that's going to be the challenge that the new governor and new legislature are going to face. I would hope that in our closing months that we understand that and help start the state down that road, and listen to what the Senator from the 2nd District is saying.

Senator Gougeon's statement is as follows:

I have heard the previous speakers, and I'm sympathetic to those issues, as well as thankful that Senator Shugars is sympathetic to our speaker today. It was probably one of the most difficult votes that I had to cast to support the Governor's executive orders when we cut veterans service organization funding; and to understand the nature of the problems that we have here in the state of Michigan with revenues and resources to do the sort of things that the good Senator from the 2nd District wanted to do, as well as to do the things that Senator Cherry spoke of just a moment ago, working together to solve Michigan's problems.

I wanted this body to know that next week we have an opportunity to take some hard votes that, quite frankly, will lead us to resolving some of the difficulties that we face as a Senate. Everything, as far as this Senator is concerned, is on the table, including a bill proposed by you, Mr. President, as well as a bill that I will be proposing next week to try to resolve the financial difficulties that this state faces.

I got up to speak today in hopes that maybe as we go home and pause and reflect on Memorial Day weekend, we might bring ourselves to think about perhaps having you vote on another cut, for instance in veterans service organization funding or other cuts for people who are in much need in this state; that we might be able to come together as Senators and be able to rise above some of the hard positions that we have taken to realize that we are all going to have to make a hard choice, whether we are running for office or not to come together as Michigan Senators to solve some very, very difficult problems. It won't be easy on any day. Whether I was running or not, I wouldn't want to have to introduce the bills that I will be introducing, nor to vote on them, but we have to make hard choices not for ourselves, but for the people we represent in the state of Michigan.

I think it's good, Mr. President, that we take these four days to pause and reflect on this state and this great state of the Union and the difficulties that face it and take those four days to gain the kind of courage it's going to take to resolve the problems. The solutions are there; we just need to have the courage as a Senate to work together. There'll be no Democrats, no Republicans. We'll all be Senators representing people, coming together to solve common problems next Tuesday and the week after that as well. Mr. President, I'm hoping that we'll all come together with the resolve to do the right thing for and on behalf of the people of the state of Michigan.

Senator Hart's statement is as follows:

I just want to compliment the Senator from the 2nd District, Senator Scott. I hate to think that geography has something to do with assistance. In this case, we take Wayne County that's gradually losing its population and

gradually losing industry. It goes without saying what's happening in Highland Park, where they packed up and moved to Auburn Hills or Ford or wherever the diversification takes place—Ecorse, McClouth Steel, Great Lakes Steel. Industry is gradually leaving metropolitan Detroit and certainly diversifying. You see it all the time—cities like Inkster—all in Wayne County. Nowhere else in this state do you see such cities that have a problem, and so I compliment Senator Scott once again.

### Recess

Senator Emmons moved that the Senate recess subject to the call of the Chair.  
The motion prevailed, the time being 11:40 a.m.

12:07 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

### Motions and Communications

The Secretary announced that the Majority Leader has made the appointment of the following standing committees:  
**Senior Citizens and Veterans Affairs** - Senator Dunaskiss (C), Senator Goschka (VC), and Senator Garcia as a member.

**Technology and Energy** - Senator Dunaskiss (C) and Senator Hammerstrom as a member.

The standing committee appointments were approved, a majority of the members serving voting therefor.

### Messages from the Governor

The following message from the Governor was received:

Date: May 22, 2002

Time: 1:50 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

#### **Enrolled Senate Bill No. 934 (Public Act No. 318), being**

An act to amend 1945 PA 327, entitled "An act relating to aeronautics in this state; providing for the development and regulation thereof; creating a state aeronautics commission; prescribing powers and duties; providing for the licensing, or registration, or supervision and control of all aircraft, airports and landing fields, schools of aviation, flying clubs, airmen, aviation instructors, airport managers, manufacturers, dealers, and commercial operation in intrastate commerce; providing for rules pertaining thereto; prescribing a privilege tax for the use of the aeronautical facilities on the lands and waters of this state; providing for the acquisition, development, and operation of airports, landing fields, and other aeronautical facilities by the state, by political subdivisions, or by public airport authorities; providing for the incorporation of public airport authorities and providing for the powers, duties, and obligations of public airport authorities; providing for the transfer of airport management to public airport authorities, including the transfer of airport liabilities, employees, and operational jurisdiction; providing jurisdiction of crimes, torts, and contracts; providing police powers for those entrusted to enforce this act; providing for civil liability of owners, operators, and others; making hunting from aircraft unlawful; providing for repair station operators lien; providing for appeals from rules or orders issued by the commission; providing for the transfer from the Michigan board of aeronautics to the aeronautics commission all properties and funds held by the board of aeronautics; providing for a state aeronautics fund and making an appropriation therefor; prescribing penalties; and making uniform the law with reference to state development and regulation of aeronautics," (MCL 259.1 to 259.208) by adding section 85a.

(Filed with the Secretary of State on May 22, 2002, at 2:22 p.m.)

Respectfully,  
John Engler  
Governor

### Messages from the House

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

**Senate Bill No. 1102**

The motion prevailed.

**Senate Bill No. 991, entitled**

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," by amending sections 2103, 2111, 2117, 2118, 2121, 2930, and 2930a (MCL 500.2103, 500.2111, 500.2117, 500.2118, 500.2121, 500.2930, and 500.2930a), section 2103 as amended by 2001 PA 147, section 2111 as amended by 1996 PA 98, section 2117 as amended by 2001 PA 25, section 2118 as amended by 1988 PA 43, section 2121 as amended by 1998 PA 26, and section 2930a as amended by 1980 PA 461.

Substitute (H-2).

The question being on concurring in the substitute made to the bill by the House,

Senator Peters offered the following amendments to the substitute:

1. Amend page 8, following line 13, by inserting:

"Sec. 2110a. (1) ~~IF~~ EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (2), IF uniformly applied to all its insureds, an insurer may establish and maintain a premium discount plan utilizing factors in addition to those permitted by section 2111 for insurance if the plan is consistent with the purposes of this act and reflects reasonably anticipated reductions in losses or expenses. This section does not affect benefits or obligations required under chapter 31. Nothing in this section authorizes an insurer to offer or prohibits an insurer from offering premium discount plans concerning any of the following:

(a) Health care services, health care providers, or health care facilities.

(b) Automobile repair providers.

(c) Materials used in the repair of an automobile.

(2) AN INSURER SHALL NOT ESTABLISH OR MAINTAIN A PREMIUM DISCOUNT PLAN BASED IN WHOLE OR IN PART UPON AN APPLICANT'S OR INSURED'S CREDIT HISTORY OR LACK OF CREDIT HISTORY."

2. Amend page 13, line 15, after "chapter." by inserting "HOWEVER, AN INSURER SHALL NOT USE FACTORS BASED IN WHOLE OR IN PART UPON AN APPLICANT'S OR INSURED'S CREDIT HISTORY OR LACK OF CREDIT HISTORY."

The question being on the adoption of the amendments to the substitute,

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

The motion prevailed.

The amendments to the substitute were not adopted.

Senator Emerson 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 not voting therefor, as follows:

**Roll Call No. 645**

**Yeas—16**

DeBeaussaert  
Dingell  
Emerson  
Garcia

Goschka  
Hart  
Hoffman  
Koivisto

Leland  
Miller  
Murphy  
North

Peters  
Scott  
Smith  
Van Regenmorter

**Nays—18**

Bennett  
Bullard

Gast  
Gougeon

McManus  
Sanborn

Shugars  
Sikkema



DeGrow  
Dunaskiss  
Emmons

Hammerstrom  
Johnson  
McCotter

Schuette  
Schwarz

Steil  
Stille

**Excused—4**

Byrum

Cherry

Vaughn

Young

**Not Voting—0**

In The Chair: Schwarz

Senator Peters offered the following amendments to the substitute:

1. Amend page 1, following “THE PEOPLE OF THE STATE OF MICHIGAN ENACT:” by inserting:

“SEC. 2006A. (1) AN INSURER THAT FALSELY ACCUSES AN INSURED OF ARSON OR A FRAUDULENT INSURANCE ACT ENGAGES IN AN UNFAIR OR DECEPTIVE ACT OR PRACTICE IN THE BUSINESS OF INSURANCE.

(2) AN INSURER THAT KNOWINGLY OFFERS AN AMOUNT LESS THAN A REASONABLE PERSON WOULD BELIEVE THE INSURED IS ENTITLED TO RECEIVE TO RESOLVE A CLAIM ENGAGES IN AN UNFAIR OR DECEPTIVE ACT OR PRACTICE IN THE BUSINESS OF INSURANCE. THIS CONDUCT MAY BE DETERMINED BY A COURT TO CONSTITUTE BAD FAITH BY THE INSURER.

(3) IF AN INSURER ENGAGES IN CONDUCT DESCRIBED IN SUBSECTION (1) OR (2), ALL OF THE FOLLOWING APPLY:

(A) THE INSURED MAY BRING AN ACTION AGAINST THE INSURER AND MAY RECOVER ALL OF THE FOLLOWING:

(i) ACTUAL DAMAGES, INCLUDING ECONOMIC AND NONECONOMIC DAMAGES.

(ii) PUNITIVE AND EXEMPLARY DAMAGES.

(iii) ACTUAL ATTORNEY FEES.

(B) THE COMMISSIONER MAY SUSPEND, LIMIT, OR REVOKE THE INSURER’S AUTHORITY.

(C) THE COMMISSIONER OR THE ATTORNEY GENERAL MAY BRING AN ACTION ON BEHALF OF 1 OR MORE INSUREDS TO ENFORCE THE RIGHTS OF THE INSUREDS UNDER THIS SECTION.

(4) AS USED IN THIS SECTION:

(A) “ECONOMIC DAMAGES” MEANS MEDICAL EXPENSES, THE COST OF REHABILITATION SERVICES AND CUSTODIAL CARE, LOSS OF WAGES, LOSS OF FUTURE EARNINGS, LOSS OF USE OF PROPERTY, COST OF REPAIR OR REPLACEMENT OF PROPERTY, LOSS OF EMPLOYMENT, OR OTHER PECUNIARY DAMAGES.

(B) “FRAUDULENT INSURANCE ACT” MEANS CONDUCT DESCRIBED IN SECTION 4503.

(C) “NONECONOMIC DAMAGES” MEANS PAIN, SUFFERING, INCONVENIENCE, PHYSICAL IMPAIRMENT, DISFIGUREMENT, MENTAL ANGUISH, EMOTIONAL DISTRESS, LOSS OF SOCIETY AND COMPANIONSHIP, LOSS OF CONSORTIUM, INJURY TO REPUTATION, HUMILIATION, OR OTHER NONPECUNIARY DAMAGES.”

2. Amend page 25, following line 25, by inserting:

“Sec. 4507. (1) Upon written request by an authorized agency to an insurer, the insurer or an agent authorized by the insurer to act on its behalf may release to the authorized agency, at the authorized agency’s expense, ~~any or~~ all information that is considered important relating to ~~any~~ suspected insurance fraud. An authorized agency may release information on suspected insurance fraud to an insurer or an agent authorized by an insurer to act on its behalf upon a showing of good cause by the insurer or the insurer’s authorized agent. This information may include, but is not limited to, the following:

(a) Insurance policy information relevant to an investigation, including ~~any~~ AN application for a policy.

(b) Policy premium payment records that are available.

(c) History of previous claims made by the insured.

(d) Information relating to the investigation of the suspected insurance fraud, including statements of any person, proofs of loss, and notice of loss.

(2) If an insurer knows or reasonably believes it knows the identity of a person who it has reason to believe committed a fraudulent insurance act or has knowledge of a suspected fraudulent insurance act that is reasonably

believed not to have been reported to an authorized agency, then for the purpose of notification and investigation, the insurer or an agent authorized by an insurer to act on its behalf may notify an authorized agency of the knowledge or belief and provide any additional information in accordance with subsection (1).

(3) An insurer providing information to an authorized agency pursuant to subsection (2) has the right to request in writing information in the possession or control of the authorized agency relating to the same suspected fraudulent insurance act of which the insurer notifies the authorized agency under subsection (2). Upon a showing of good cause by the insurer, the authorized agency may provide the requested information at the insurer's expense within 30 days of the request.

(4) In addition to providing information to an insurer under subsection (3), the authorized agency provided with information pursuant to subsection (1) or (2) may release or provide the information to any other authorized agency.

(5) Nothing in this chapter impairs a person's right, as of ~~the effective date of this chapter~~ MARCH 28, 1996, to submit to the insurer or the insurer's representative a statement fully explaining the basis of the claim and to have that statement placed in the claim file.

(6) An authorized agency, insurer, or an agent authorized by an insurer to act on its behalf shall not request or release information under subsection (1) for any purpose other than for the investigation of suspected insurance fraud.

**(7) AN INSURER SHALL REMOVE ALL DOCUMENTS RELATING TO ALLEGATIONS OF FRAUDULENT INSURANCE ACTS THAT HAVE BEEN DETERMINED TO BE UNFOUNDED FROM THE CLAIM FILE OF A PERSON WHO MAKES A REQUEST FOR REMOVAL.**

Enacting section 1. Section 4509 of the insurance code of 1956, 1956 PA 218, MCL 500.4509, is repealed.”.

The question being on the adoption of the amendments,

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

The motion prevailed.

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

The motion prevailed.

Senator Peters' first statement is as follows:

This amendment also deals with another major issue that's impacting policyholders across the state. In fact, there was an article just recently in a major newspaper yesterday talking about insurance companies and the difficulty that some policyholders have in getting the full value of their policy from an insurance company. Oftentimes, an insurance company will dicker with someone and force them to accept a settlement considerably less than what the settlement is worth, even though that policyholder has been paying premiums for a long period of time. There are situations where perhaps a policyholder has a house burn down. The insurance company will argue that there is some fraud involved and make it very difficult for them to make that claim, putting them through a very long protracted proceeding, and the consumer often does not have the resources that they need to fight the insurance company. The insurance companies, we know, have very deep pockets and have very skilled attorneys who will defend that insurance company and make it very difficult for an individual, often of very limited means, to fight the insurance company. It is an uneven playing field. The article in the newspaper yesterday showed that it is consistently a problem not only here in this state, but around the country.

I had a situation just recently with an individual I saw about three days ago who talked about her house that had burned down. The insurance company came out, and the arson squad from the city of Detroit determined that it was a natural fire. There was no arson involved. It was an accident that caused the house to burn down. The insurance company then said, "Okay, we'll pay. Start looking for a new house." She went out looking for a new house and was ready to purchase one and use the insurance proceeds as a down payment. Now that insurance company has come back to her, even though they have offered absolutely no new evidence that anything happened of a fraudulent nature in that fire, and is now denying to make that claim to her. She is in a real difficult situation and is at a loss and is now without a home and is not getting the insurance proceeds in which she thought she was entitled to. She certainly believed that insurance company would be there when she needed it, as she made those payments religiously each and every year.

Right now there are no teeth in the law. An insurance company not only just has to say that there's fraud, they can just say, "We're not going to pay this value; take 70 percent of what you're claiming. Take it or leave it. If you don't like it, take us to court." That's not something the average individual is going to have the capability of doing.

The amendment before us puts some teeth in the law. It allows that individual to take the insurance company to court, and if they prevail, get attorney's fees and get damages for that—to level the playing field so that an individual can enforce those insurance contracts.

In addition, it allows the Attorney General to be involved in these cases as well. Currently, the Insurance Commissioner may get involved. But we know from past history the Insurance Commissioner—at least under this

current administration—has been less than willing to take any case against an insurance company. I can guarantee you an Attorney General, popularly elected by the people of the state of Michigan, will take these cases and will be aggressive in ensuring that insurance companies are paying fair claims to individuals who are suffering a loss and need to have the insurance company standing behind what they promised as they paid those premiums each and every year.

This is a very critical issue. It's been highlighted in numerous newspaper articles over the past few months. It is a real-world situation that impacts people each and every day, and I would urge adoption of this amendment.

Senator Peters' second statement is as follows:

The previous speaker said the Insurance Commissioner believes he has the authority. If you vote "yes" on this amendment, he will definitely have the authority. The Attorney General will have the authority and also the individual who has to fight a big insurance company will definitely have a more level playing field.

This amendment is pro-consumer. We've seen an awful lot of bills pass through this Legislature that tend to favor the insurance companies. Here's an opportunity to level the playing field and stand up for policyholders. They need this important protection, and I would urge adoption of this amendment.

Senator Cherry entered the Senate Chamber.

**Senate Bill No. 1172, entitled**

A bill to amend 1945 PA 47, entitled "An act to authorize 2 or more cities, townships, and villages, or any combination of cities, townships, and villages, to incorporate a hospital authority for planning, promoting, acquiring, constructing, improving, enlarging, extending, owning, maintaining, and operating 1 or more community hospitals and related buildings or structures and related facilities; to provide for the sale, lease, or other transfer of a hospital owned by a hospital authority to a nonprofit corporation established under the laws of this state for no or nominal monetary consideration; to define hospitals and community hospitals; to provide for changes in the membership therein; to authorize the cities, townships, and villages to levy taxes for community hospital purposes; to provide for the issuance of bonds; to provide for the pledge of assessments; to provide for borrowing money for operation and maintenance and issuing notes for operation and maintenance; to validate elections heretofore held and notes heretofore issued; to validate bonds heretofore issued; to authorize condemnation proceedings; to grant certain powers of a body corporate; to validate and ratify the organization, existence, and membership of entities acting as hospital authorities under the act and the actions taken by hospital authorities and by the members of the hospital authorities; and to prescribe penalties and provide remedies," by amending sections 8 and 8a (MCL 331.8 and 331.8a), section 8a as amended by 1980 PA 104; and to repeal acts and parts of acts.

Substitute (H-1).

The question being on concurring in the substitute made to the bill by the House,

The substitute was concurred in, a majority of the members serving voting therefor, as follows:

**Roll Call No. 646**

**Yeas—34**

|              |             |          |                 |
|--------------|-------------|----------|-----------------|
| Bennett      | Gast        | McCotter | Schwarz         |
| Bullard      | Goschka     | McManus  | Scott           |
| Cherry       | Gougeon     | Miller   | Shugars         |
| DeBeaussaert | Hammerstrom | Murphy   | Sikkema         |
| DeGrow       | Hart        | North    | Smith           |
| Dingell      | Hoffman     | Peters   | Steil           |
| Emerson      | Johnson     | Sanborn  | Stille          |
| Emmons       | Koivisto    | Schuette | Van Regenmorter |
| Garcia       | Leland      |          |                 |

**Nays—0**

**Excused—3**

|       |        |       |
|-------|--------|-------|
| Byrum | Vaughn | Young |
|-------|--------|-------|

**Not Voting—1**

Dunaskiss

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 bill was referred to the Secretary for enrollment printing and presentation to the Governor.

**House Bill No. 4874, entitled**

A bill to amend 1976 PA 442, entitled "Freedom of information act," by amending section 13 (MCL 15.243), as amended by 2001 PA 74.

(For text of amendments, see Senate Journal No. 47, p. 1351.)

The question being on concurring in the House amendments made to the Senate substitute,

The amendments were concurred in, a majority of the members serving voting therefor, as follows:

**Roll Call No. 647****Yeas—35**

|             |             |          |                 |
|-------------|-------------|----------|-----------------|
| Bennett     | Garcia      | Leland   | Schwarz         |
| Bullard     | Gast        | McCotter | Scott           |
| Cherry      | Goschka     | McManus  | Shugars         |
| DeBeussaert | Gougeon     | Miller   | Sikkema         |
| DeGrow      | Hammerstrom | Murphy   | Smith           |
| Dingell     | Hart        | North    | Steil           |
| Dunaskiss   | Hoffman     | Peters   | Stille          |
| Emerson     | Johnson     | Sanborn  | Van Regenmorter |
| Emmons      | Koivisto    | Schuette |                 |

**Nays—0****Excused—3**

Byrum

Vaughn

Young

**Not Voting—0**

In The Chair: Schwarz

**Senate Bill No. 859, entitled**

A bill to amend 1967 (Ex Sess) PA 7, entitled "Urban cooperation act of 1967," by amending section 7 (MCL 124.507), as amended by 1985 PA 10.

The House of Representatives has substituted (H-1) the bill.

The House of Representatives has passed the bill as substituted (H-1), ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

Pursuant to rule 3.202, the bill was laid over one day.

**Senate Bill No. 891, entitled**

A bill to repeal 1881 PA 182, entitled "An act to provide for the incorporation of pipe line companies, and to define their powers and duties," (MCL 483.201 to 483.228).

The House of Representatives has passed the bill and ordered that the bill be given immediate effect.

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 bill was referred to the Secretary for enrollment printing and presentation to the Governor.

**Senate Bill No. 893, entitled**

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending sections 2123, 2558, 6458, and 6461 (MCL 600.2123, 600.2558, 600.6458, and 600.6461), section 2558 as amended by 1996 PA 214.

The House of Representatives has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

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 full title.

The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

**Senate Bill No. 917, entitled**

A bill to amend 1907 PA 130, entitled "An act to provide for refunding to purchasers the price paid to the state on sale of land by the commissioner of the state land office, under section 131 of Act 206 of Public Acts of 1893, as amended by Act 141 of Public Acts of 1901, in cases where the land sold did not belong to the class of lands liable to sale thereunder; for cancelling the conveyance of such lands to the state and restoring the tax liens thereon in favor of the state, which were erroneously cancelled," by amending sections 1, 2, 3, and 4 (MCL 211.451, 211.452, 211.453, and 211.454).

The House of Representatives has passed the bill and ordered that the bill be given immediate effect.

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 bill was referred to the Secretary for enrollment printing and presentation to the Governor.

**Senate Bill No. 987, entitled**

A bill to amend 1957 PA 4, entitled "Charter water authority act," by amending sections 15 and 16 (MCL 121.15 and 121.16); and to repeal acts and parts of acts.

The House of Representatives has amended the bill as follows:

1. Amend page 3, line 11, after "~~review.~~" by striking out the balance of the line through "year." on line 14.

The House of Representatives has passed the bill as amended, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

Pursuant to rule 3.202, the bill was laid over one day.

**Senate Bill No. 1056, entitled**

A bill to repeal 1955 PA 191, entitled "An act authorizing the state highway commissioner of Michigan to enter into negotiations with the Wisconsin state highway commissioner in the preparation of plans, specifications and designs of an interstate bridge extending from First street in Menominee across the Menominee river to Ogden street in Marinette, Wisconsin, and to provide for the cost and expense of such plans, specifications and designs," (MCL 254.131).

The House of Representatives has passed the bill and ordered that the bill be given immediate effect.

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 bill was referred to the Secretary for enrollment printing and presentation to the Governor.

**House Bill No. 5643, entitled**

A bill to make appropriations for the department of career development and the Michigan strategic fund and certain other state purposes for the fiscal year ending September 30, 2003; to provide for the expenditure of the appropriations; to provide for the disposition of fees and other income received by the state agencies; and to repeal acts and parts of acts.

The House of Representatives has substituted (H-2) the Senate substitute (S-1).

The House of Representatives has concurred in the Senate substitute (S-1) as substituted (H-2). Pursuant to rule 3.202, the bill was laid over one day.

**House Bill No. 5644, 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, 2003; 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.

The House of Representatives has substituted (H-2) the Senate substitute (S-1).

The House of Representatives has concurred in the Senate substitute (S-1) as substituted (H-2).

Pursuant to rule 3.202, the bill was laid over one day.

**House Bill No. 5647, entitled**

A bill to make appropriations for the department of history, arts, and libraries for the fiscal year ending September 30, 2003; to provide for the expenditure of those appropriations; to provide for the disposition of fees and other income received by the state agencies; to provide for the disbursement of certain grants; to provide for reports; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

The House of Representatives has substituted (H-2) the Senate substitute (S-1).

The House of Representatives has concurred in the Senate substitute (S-1) as substituted (H-2).

Pursuant to rule 3.202, the bill was laid over one day.

By unanimous consent the Senate proceeded to the order of

**Third Reading of Bills**

Senator Emmons moved that the rules be suspended and that the following bill, now on the order of Third Reading of Bills, be placed on its immediate passage:

**Senate Bill No. 1278**

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

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

**House Bill No. 5750**

**House Bill No. 5107**

**Senate Bill No. 1308**

**Senate Bill No. 112**

**Senate Bill No. 1278**

The motion prevailed.

The following bill was read a third time:

**House Bill No. 5750, entitled**

A bill to amend 1984 PA 44, entitled "Motor fuels quality act," by amending section 4a (MCL 290.644a), as amended by 2002 PA 13.

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. 648**

**Yeas—35**

Bennett  
Bullard  
Cherry  
DeBeaussaert  
DeGrow

Garcia  
Gast  
Goschka  
Gougeon  
Hammerstrom

Leland  
McCotter  
McManus  
Miller  
Murphy

Schwarz  
Scott  
Shugars  
Sikkema  
Smith

Dingell  
Dunaskiss  
Emerson  
Emmons

Hart  
Hoffman  
Johnson  
Koivisto

North  
Peters  
Sanborn  
Schuette

Steil  
Stille  
Van Regenmorter

**Nays—0**

**Excused—3**

Byrum

Vaughn

Young

**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.

Pursuant to Joint Rule 20, the full title of the act shall be inserted to read as follows:

“An act to provide purity and quality standards for motor fuels; to regulate the transfer, sale, dispensing, or offering motor fuels for sale; to provide for an inspection and testing program; to provide for the powers and duties of certain state agencies; to provide for the licensing of certain persons engaged in the transfer, sale, dispensing, or offering of motor fuels for sale; to regulate stage I and stage II vapor-recovery systems at certain facilities; to provide for fees; and to provide remedies and prescribe penalties.”.

The Senate agreed to the full title.

The following bill was read a third time:

**House Bill No. 5107, entitled**

A bill to amend 1969 PA 317, entitled “Worker’s disability compensation act of 1969,” by amending section 161 (MCL 418.161), as amended by 1996 PA 460.

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. 649**

**Yeas—35**

Bennett  
Bullard  
Cherry  
DeBeaussaert  
DeGrow  
Dingell  
Dunaskiss  
Emerson  
Emmons

Garcia  
Gast  
Goschka  
Gougeon  
Hammerstrom  
Hart  
Hoffman  
Johnson  
Koivisto

Leland  
McCotter  
McManus  
Miller  
Murphy  
North  
Peters  
Sanborn  
Schuette

Schwarz  
Scott  
Shugars  
Sikkema  
Smith  
Steil  
Stille  
Van Regenmorter

**Nays—0**

**Excused—3**

Byrum

Vaughn

Young

**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.

Pursuant to Joint Rule 20, the full title of the act shall be inserted to read as follows:

“An act to revise and consolidate the laws relating to worker’s disability compensation; to increase the administrative efficiency of the adjudicative processes of the worker’s compensation system; to improve the qualifications of the persons having adjudicative functions within the worker’s compensation system; to prescribe certain powers and duties; to create the board of worker’s compensation magistrates and the worker’s compensation appellate commission; to create certain other boards; to provide certain procedures for the resolution of claims, including mediation and arbitration; to prescribe certain benefits for persons suffering a personal injury under the act; to prescribe certain limitations on obtaining benefits under the act; to create, and provide for the transfer of, certain funds; to prescribe certain fees; to prescribe certain remedies and penalties; to repeal certain parts of this act on specific dates; and to repeal certain acts and parts of acts.”.

The Senate agreed to the full title.

The following bill was read a third time:

**Senate Bill No. 1308, entitled**

A bill to amend 1969 PA 317, entitled “Worker’s disability compensation act of 1969,” by amending section 853 (MCL 418.853), as amended by 1994 PA 271.

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. 650****Yeas—35**

|              |             |          |                 |
|--------------|-------------|----------|-----------------|
| Bennett      | Garcia      | Leland   | Schwarz         |
| Bullard      | Gast        | McCotter | Scott           |
| Cherry       | Goschka     | McManus  | Shugars         |
| DeBeaussaert | Gougeon     | Miller   | Sikkema         |
| DeGrow       | Hammerstrom | Murphy   | Smith           |
| Dingell      | Hart        | North    | Steil           |
| Dunaskiss    | Hoffman     | Peters   | Stille          |
| Emerson      | Johnson     | Sanborn  | Van Regenmorter |
| Emmons       | Koivisto    | Schuette |                 |

**Nays—0****Excused—3**

|       |        |       |
|-------|--------|-------|
| Byrum | Vaughn | Young |
|-------|--------|-------|

**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. 112, entitled**

A bill to amend 1967 (Ex Sess) PA 7, entitled “Urban cooperation act of 1967,” by amending sections 2, 3, 4, 10, and 12 (MCL 124.502, 124.503, 124.504, 124.510, and 124.512), section 2 as amended by 1995 PA 108 and section 10 as amended by 1985 PA 10.

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. 651**

**Yeas—34**

|              |             |          |          |
|--------------|-------------|----------|----------|
| Bennett      | Garcia      | Leland   | Schuette |
| Bullard      | Gast        | McCotter | Schwarz  |
| Cherry       | Goschka     | McManus  | Scott    |
| DeBeaussaert | Gougeon     | Miller   | Shugars  |
| DeGrow       | Hammerstrom | Murphy   | Sikkema  |
| Dingell      | Hart        | North    | Smith    |
| Dunaskiss    | Hoffman     | Peters   | Steil    |
| Emerson      | Johnson     | Sanborn  | Stille   |
| Emmons       | Koivisto    |          |          |

**Nays—1**

Van Regenmorter

**Excused—3**

|       |        |       |
|-------|--------|-------|
| Byrum | Vaughn | Young |
|-------|--------|-------|

**Not Voting—0**

In The Chair: Schwarz

The Senate agreed to the title of the bill.

Senator McManus moved that he be named co-sponsor of the bill.

The motion prevailed.

Senator Schuette moved that his name be removed as sponsor of the bill.

The motion prevailed.

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

The motion prevailed.

Senator Schuette’s first statement is as follows:

The tenor and text of this bill goes to two specific items. One is rather technical in nature, and the original intent of the introduction of this bill was part of an overall U.S.-Canada, Michigan-Canada legislation that changed the definition from the “Dominion of Canada” to “Canada.” The bill indeed does that.

The other issue here involves the National Cherry Festival up in Traverse City and the Grand Traverse area. I'm working with my colleague and friend, Senator McManus. In having represented Grand Traverse in the past, I understand the economic issues that are important in that area. What we've done here by passing this bill is to permit the relationship between the tribal organizations in northwestern Michigan—in Grand Traverse—and the Michigan State Police to assist their law enforcement efforts.

There's language in this bill that is strictly limited to this law enforcement issue. The language specifically says it's not to be interpreted for expansion of any casino gambling interest whatsoever. I appreciate the assurances of Senator McManus and the officials in the administration that nothing will be attached to expand it beyond the text, tenor, and the spirit of the bill. I'm glad to help my colleague, Senator McManus, and my friends in northwestern Michigan because of the importance of the National Cherry Festival. I'd ask for adoption of this bill.

Senator Schuette's second statement is as follows:

In answer to your question, I can conceive of no other reason to utilize this bill. So if you're talking about it as a vehicle for any other purpose beyond the law enforcement purpose, I cannot conceive of one, Senator Cherry.

Senator Schuette's third statement is as follows:

If you're asking me a direct question of what other local agreement might be made, the answer is, Senator Cherry, I don't know. If you have something specific that you're trying to state that you think merits clarification, I'm sure Senator McManus and I and others would be happy to hear from you about that. I know the purpose of what this is for is for the National Cherry Festival and law enforcement purposes. If you're saying that something else is out there that bothers you, help me by expressing what that might be—what your concern might be. If there is one, then maybe it could be addressed.

The following bill was read a third time:

**Senate Bill No. 1278, entitled**

A bill to amend 1975 PA 228, entitled "Single business tax act," by amending section 19 (MCL 208.19), as amended by 2001 PA 278.

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. 652**

**Yeas—35**

|              |             |          |                 |
|--------------|-------------|----------|-----------------|
| Bennett      | Garcia      | Leland   | Schwarz         |
| Bullard      | Gast        | McCotter | Scott           |
| Cherry       | Goschka     | McManus  | Shugars         |
| DeBeaussaert | Gougeon     | Miller   | Sikkema         |
| DeGrow       | Hammerstrom | Murphy   | Smith           |
| Dingell      | Hart        | North    | Steil           |
| Dunaskiss    | Hoffman     | Peters   | Stille          |
| Emerson      | Johnson     | Sanborn  | Van Regenmorter |
| Emmons       | Koivisto    | Schuette |                 |

**Nays—0**

**Excused—3**

|       |        |       |
|-------|--------|-------|
| Byrum | Vaughn | Young |
|-------|--------|-------|

**Not Voting—0**

In The Chair: Schwarz

The Senate agreed to the title of the bill.

By unanimous consent the Senate returned to the order of  
**Motions and Communications**

Senator Emmons moved that a respectful message be sent to the House of Representatives requesting the return of the following bill:

**Senate Bill No. 143**

The motion prevailed.

Senator Emmons moved that the Committee on Judiciary be discharged from further consideration of the following bill:

**House Bill No. 5279, entitled**

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending sections 9c and 15a of chapter IV, section 4a of chapter IX, and section 9a of chapter X (MCL 764.9c, 764.15a, 769.4a, and 770.9a), section 9c of chapter IV as amended by 1999 PA 76, section 15a of chapter IV as amended by 1999 PA 269, section 4a of chapter IX as amended by 1994 PA 68, and section 9a of chapter X as amended by 1994 PA 195.

The motion prevailed, a majority of the members serving voting therefor, and the bill was placed on the order of General Orders.

By unanimous consent the Senate proceeded to the order of  
**Introduction and Referral of Bills**

Senators Hammerstrom, Goschka, Johnson and Bullard introduced

**Senate Bill No. 1356, entitled**

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending section 2163a (MCL 600.2163a), as amended by 1998 PA 324.

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

Senator Stille introduced

**Senate Bill No. 1357, entitled**

A bill to amend 1984 PA 44, entitled "Motor fuels quality act," by amending sections 2, 3, and 5 (MCL 290.642, 290.643, and 290.645), section 2 as amended by 1993 PA 236 and sections 3 and 5 as amended by 2002 PA 13.

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

Senators Bullard, Peters, Dunaskiss, Johnson and Cherry introduced

**Senate Bill No. 1358, entitled**

A bill to amend 1966 PA 189, entitled "An act to provide procedures for making complaints for, obtaining, executing and returning search warrants; and to repeal certain acts and parts of acts," by amending section 1 (MCL 780.651), as amended by 2002 PA 128.

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

Senator North introduced

**Senate Bill No. 1359, entitled**

A bill to amend 1953 PA 232, entitled "Corrections code of 1953," by amending sections 25a and 36a (MCL 791.225a and 791.236a), section 25a as added by 1993 PA 184 and section 36a as amended by 1993 PA 346.

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

Senator Gougeon introduced

**Senate Bill No. 1360, entitled**

A bill to amend 1993 PA 327, entitled "Tobacco products tax act," by amending sections 7 and 12 (MCL 205.427 and 205.432), as amended by 1997 PA 187.

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

**House Bill No. 5994, entitled**

A bill to assert the state's interest in protecting all individuals; and to prescribe responsibilities and procedures in regard to a newborn whose live birth results from an abortion.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

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

**House Bill No. 5995, entitled**

A bill to amend 1939 PA 288, entitled "Probate code of 1939," by amending section 3 of chapter XII (MCL 712.3), as added by 2000 PA 232.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

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

**House Bill No. 5996, entitled**

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by amending section 135 (MCL 750.135), as amended by 2000 PA 233.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

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

**House Bill No. 5997, entitled**

A bill to amend 1975 PA 238, entitled "Child protection law," by amending section 8 (MCL 722.628), as amended by 2000 PA 234.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

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

Senator Emmons moved that when the Senate adjourns today, it stand adjourned until Tuesday, May 28, at 12:00 noon.

The motion prevailed.

### Committee Reports

The Committee on Economic Development, International Trade and Regulatory Affairs reported

**Senate Bill No. 618, entitled**

A bill to provide certain investment opportunities in this state; to exempt income from certain taxes; to prescribe the powers and duties of certain public officers and departments; to impose powers and duties upon certain officials, departments, and authorities of this state; and to provide penalties and remedies.

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

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

Bill Schuette  
Chairperson

To Report Out:

Yeas: Senators Schuette, McCotter and Sanborn

Nays: None

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

The Committee on Economic Development, International Trade and Regulatory Affairs reported

**House Bill No. 5805, entitled**

A bill to amend 1996 PA 376, entitled "Michigan renaissance zone act," by amending section 4 (MCL 125.2684), as amended by 2000 PA 259.

With the recommendation that the bill pass.

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

Bill Schuette  
Chairperson

## To Report Out:

Yeas: Senators Schuette, McCotter and Sanborn

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Economic Development, International Trade and Regulatory Affairs reported

**House Bill No. 5806, entitled**

A bill to amend 1996 PA 376, entitled "Michigan renaissance zone act," by amending section 6 (MCL 125.2686), as amended by 2000 PA 259.

With the recommendation that the bill pass.

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

Bill Schuette

Chairperson

## To Report Out:

Yeas: Senators Schuette, McCotter and Sanborn

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Economic Development, International Trade and Regulatory Affairs reported

**House Bill No. 5819, entitled**

A bill to amend 1980 PA 299, entitled "Occupational code," by amending sections 2012 and 2014 (MCL 339.2012 and 339.2014), as amended by 1992 PA 103.

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.

Bill Schuette

Chairperson

## To Report Out:

Yeas: Senators Schuette, McCotter, Sanborn, Leland and Peters

Nays: None

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

The Committee on Economic Development, International Trade and Regulatory Affairs reported

**House Bill No. 5896, entitled**

A bill to amend 1986 PA 281, entitled "The local development financing act," by amending section 12a (MCL 125.2162a), as added by 2000 PA 248.

With the recommendation that the bill pass.

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

Bill Schuette

Chairperson

## To Report Out:

Yeas: Senators Schuette, McCotter and Sanborn

Nays: None

The bill was referred to the Committee of the Whole.

#### COMMITTEE ATTENDANCE REPORT

The Committee on Economic Development, International Trade and Regulatory Affairs submitted the following:

Meeting held on Tuesday, May 21, 2002, at 1:09 p.m., Room 110, Farnum Building

Present: Senators Schuette (C), McCotter, Sanborn, Leland and Peters

The Committee on Transportation and Tourism reported

**Senate Bill No. 1240, entitled**

A bill to amend 1967 PA 204, entitled "Metropolitan transportation authorities act of 1967," by amending section 4 (MCL 124.404).

With the recommendation that the bill be referred to the Committee on Government Operations.

Bill Bullard, Jr.

Chairperson

## To Report Out:

Yeas: Senators Bullard, North, Leland and Hart

Nays: None

The bill was referred to the Committee on Government Operations.

The Committee on Transportation and Tourism reported

**House Bill No. 5360, entitled**

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 251 (MCL 257.251), as amended by 2000 PA 397.

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.

Bill Bullard, Jr.  
Chairperson

## To Report Out:

Yeas: Senators Bullard, North, Leland and Hart

Nays: None

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

The Committee on Transportation and Tourism reported

**House Bill No. 5361, entitled**

A bill to amend 1974 PA 300, entitled "Motor vehicle service and repair act," by amending section 17 (MCL 257.1317), as amended by 1988 PA 254.

With the recommendation that the bill pass.

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

Bill Bullard, Jr.  
Chairperson

## To Report Out:

Yeas: Senators Bullard, North, Leland and Hart

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Transportation and Tourism reported

**House Bill No. 5362, entitled**

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 803 (MCL 257.803).

With the recommendation that the bill pass.

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

Bill Bullard, Jr.  
Chairperson

## To Report Out:

Yeas: Senators Bullard, North, Leland and Hart

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Transportation and Tourism reported

**House Bill No. 5365, entitled**

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending sections 217 and 234 (MCL 257.217 and 257.234), section 217 as amended by 2000 PA 397 and section 234 as amended by 2000 PA 151.

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.

Bill Bullard, Jr.  
Chairperson

## To Report Out:

Yeas: Senators Bullard, North, Leland and Hart

Nays: None

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

The Committee on Transportation and Tourism reported

**House Bill No. 5383, entitled**

A bill to amend 1951 PA 51, entitled "An act to provide for the classification of all public roads, streets, and highways in this state, and for the revision of that classification and for additions to and deletions from each classification; to set up and establish the Michigan transportation fund; to provide for the deposits in the Michigan transportation fund of specific taxes on motor vehicles and motor vehicle fuels; to provide for the allocation of funds from the Michigan transportation fund and the use and administration of the fund for transportation purposes; to set up and establish the truck safety fund; to provide for the allocation of funds from the truck safety fund and administration of the fund for truck safety purposes; to set up and establish the Michigan truck safety commission; to establish certain standards for road contracts for certain businesses; to provide for the continuing review of transportation needs within the state; to authorize the state transportation commission, counties, cities, and villages to borrow money, issue bonds, and make pledges of funds for transportation purposes; to authorize counties to advance funds for the payment of deficiencies necessary for the payment of bonds issued under this act; to provide for the limitations, payment, retirement, and security of the bonds and pledges; to provide for appropriations and tax levies by counties and townships for county roads; to authorize contributions by townships for county roads; to provide for the establishment and administration of the state trunk line fund, critical bridge fund, comprehensive transportation fund, and certain other funds; to provide for the deposits in the state trunk line fund, critical bridge fund, comprehensive transportation fund, and certain other funds of money raised by specific taxes and fees; to provide for definitions of public transportation functions and criteria; to define the purposes for which Michigan transportation funds may be allocated; to provide for Michigan transportation fund grants; to provide for review and approval of transportation programs; to provide for submission of annual legislative requests and reports; to provide for the establishment and functions of certain advisory entities; to provide for conditions for grants; to provide for the issuance of bonds and notes for transportation purposes; to provide for the powers and duties of certain state and local agencies and officials; to provide for the making of loans for transportation purposes by the state transportation department and for the receipt and repayment by local units and agencies of those loans from certain specified sources; and to repeal acts and parts of acts," by amending sections 1b, 10c, 10h, 11, 11c, 12, 18e, and 20a (MCL 247.651b, 247.660c, 247.660h, 247.661, 247.661c, 247.662, 247.668e, and 247.670a), section 1b as amended by 1989 PA 188, section 10c as amended by 1990 PA 73, section 10h as amended by 1982 PA 438, section 11 as amended by 2000 PA 188, sections 11c and 12 as amended by 1997 PA 79, and section 18e as amended by 1985 PA 201, and by adding section 10p.

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.

Bill Bullard, Jr.  
Chairperson

To Report Out:

Yeas: Senators Bullard, North, Leland and Hart

Nays: None

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

The Committee on Transportation and Tourism reported

**House Bill No. 5396, entitled**

A bill to amend 1951 PA 51, entitled "An act to provide for the classification of all public roads, streets, and highways in this state, and for the revision of that classification and for additions to and deletions from each classification; to set up and establish the Michigan transportation fund; to provide for the deposits in the Michigan transportation fund of specific taxes on motor vehicles and motor vehicle fuels; to provide for the allocation of funds from the Michigan transportation fund and the use and administration of the fund for transportation purposes; to set up and establish the truck safety fund; to provide for the allocation of funds from the truck safety fund and administration of the fund for truck safety purposes; to set up and establish the Michigan truck safety commission; to establish certain standards for road contracts for certain businesses; to provide for the continuing review of transportation needs within the state; to authorize the state transportation commission, counties, cities, and villages to borrow money, issue bonds, and make pledges of funds for transportation purposes; to authorize counties to advance funds for the payment of deficiencies necessary for the payment of bonds issued under this act; to provide for the limitations, payment, retirement, and security of the bonds and pledges; to provide for appropriations and tax levies by counties and townships for county roads; to authorize contributions by townships for county roads; to provide for the establishment and administration of the state trunk line fund, critical bridge fund, comprehensive transportation fund, and certain other funds; to provide for the deposits in the state trunk line fund, critical bridge fund, comprehensive transportation fund, and certain other funds of money raised by specific taxes and fees; to provide for definitions of public transportation functions and criteria; to define the purposes for which Michigan transportation funds may be allocated; to provide for Michigan transportation fund grants; to provide for review and approval of transportation programs; to

provide for submission of annual legislative requests and reports; to provide for the establishment and functions of certain advisory entities; to provide for conditions for grants; to provide for the issuance of bonds and notes for transportation purposes; to provide for the powers and duties of certain state and local agencies and officials; to provide for the making of loans for transportation purposes by the state transportation department and for the receipt and repayment by local units and agencies of those loans from certain specified sources; and to repeal acts and parts of acts," by amending section 9a (MCL 247.659a), as amended by 1998 PA 308.

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.

Bill Bullard, Jr.  
Chairperson

To Report Out:

Yeas: Senators Bullard, North, Leland and Hart

Nays: None

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

The Committee on Transportation and Tourism reported

**House Bill No. 5804, entitled**

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending sections 217, 222, and 251 (MCL 257.217, 257.222, and 257.251), as amended by 2000 PA 397, and by adding section 17c.

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.

Bill Bullard, Jr.  
Chairperson

To Report Out:

Yeas: Senators Bullard, North, Leland and Hart

Nays: None

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

#### COMMITTEE ATTENDANCE REPORT

The Committee on Transportation and Tourism submitted the following:

Meeting held on Tuesday, May 21, 2002, at 3:00 p.m., Room 110, Farnum Building

Present: Senators Bullard (C), North, Leland and Hart

Excused: Senator Steil

#### Scheduled Meetings

**Economic Development, International Trade and Regulatory Affairs** - Tuesday, May 28, 1:00 p.m., Room 110, Farnum Building (373-7946)

**Legislative Retirement Board of Trustees** - Wednesday, May 29, 3:00 p.m., Room H-252, Capitol Building (373-0575)

Senator Emmons moved that the Senate adjourn.

The motion prevailed, the time being 1:03 p.m.

In pursuance of the order previously made, the President pro tempore, Senator Schwarz, declared the Senate adjourned until Tuesday, May 28, at 12:00 noon.

CAROL MOREY VIVENTI  
Secretary of the Senate.