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House Chamber, Lansing, Wednesday, June 19, 2002.

2:00 p.m.

The House was called to order by Associate Speaker Pro Tempore Ehardt.

The roll was called by the Clerk of the House of Representatives, who announced that a quorum was present.

Adamini—present	Garza—present	Lockwood—present	Schauer—present
Allen—present	George—present	Mans—present	Schermesser—excused
Anderson—present	Gielegem—present	McConico—present	Scranton—present
Basham—present	Gilbert—present	Mead—present	Shackleton—present
Bernero—present	Godchaux—present	Meyer—present	Sheltrown—present
Birkholz—present	Gosselin—present	Middaugh—present	Shulman—present
Bisbee—present	Hager—present	Minore—present	Spade—present
Bishop—present	Hale—present	Mortimer—present	Stallworth—present
Bogardus—present	Hansen—present	Murphy—present	Stamas—present
Bovin—present	Hardman—present	Neumann—present	Stewart—present
Bradstreet—present	Hart—present	Newell—present	Switalski—present
Brown, Bob—present	Howell—present	O’Neil—present	Tabor—present
Brown, Cameron—present	Hummel—present	Palmer—present	Thomas—present
Brown, Rich—present	Jacobs—present	Pappageorge—present	Toy—excused
Callahan—present	Jamnack—present	Patterson—present	Van Woerkom—present
Cassis—present	Jansen—excused	Pestka—present	Vander Roest—present
Caul—present	Jelinek—present	Phillips—present	Vander Veen—present
Clark—present	Johnson, Rick—present	Plakas—present	Vear—present
Clarke—present	Johnson, Ruth—present	Pumford—present	Voorhees—present
Daniels—present	Julian—present	Quarles—present	Waters—present
Dennis—present	Koetje—present	Raczkowski—present	Whitmer—present
DeRossett—present	Kolb—present	Reeves—present	Williams—present
DeVuyst—present	Kooiman—present	Richardville—present	Wojno—present
DeWeese—present	Kowall—present	Richner—present	Woodward—present
Drolet—present	Kuipers—present	Rison—present	Woronchak—excused
Ehardt—present	LaSata—present	Rivet—present	Zelenko—present
Fauce—present	Lemmons—excused	Rocca—present	
Frank—present	Lipsey—present		

e/d/s = entered during session

Rep. Patricia Lockwood, from the 51st District, offered the following invocation:

“Dear God, we ask for Your blessings on the members of this House of Representatives, our clerks, support staff, sergeants and all who enter here. We ask that You grant us Your guidance, inspiration, wisdom, patience, understanding and respect for one another, as we deliberate on behalf of all people in the state of Michigan. We pray especially for family members of all elected officials and for their continued support and understanding. God grant us the ability to open our hearts and our minds to the needs of those who seek our leadership and our care. We ask this in Your name. Amen.”

Rep. Jacobs moved that Reps. Lemmons and Schermesser be excused from today’s session.
The motion prevailed.

Rep. Vander Roest moved that Reps. Jansen, Toy and Woronchak be excused from today’s session.
The motion prevailed.

Associate Speaker Pro Tempore Julian assumed the Chair.

Reports of Select Committees

The Speaker laid before the House the conference report relative to
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 conference report was reported by the conference committee on June 13, consideration of which, under the rules, was postponed until June 18.)

(For conference report, see House Journal No. 55, p. 1972.)

The question being on the adoption of the conference report,

The conference report was adopted, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 934

Yeas—55

Allen	George	Kowall	Richner
Birkholz	Gilbert	Kuipers	Rocca
Bisbee	Godchaux	LaSata	Scranton
Bishop	Gosselin	Mead	Shackleton
Bradstreet	Hager	Meyer	Shulman
Brown, C.	Hart	Middaugh	Stamas
Cassis	Howell	Mortimer	Stewart
Caul	Hummel	Newell	Tabor
DeRossett	Jelinek	Palmer	Van Woerkom
DeVuyst	Johnson, Rick	Pappageorge	Vander Roest
DeWeese	Johnson, Ruth	Patterson	Vander Veen
Drolet	Julian	Pumford	Vear
Ehardt	Koetje	Raczkowski	Voorhees
Faunce	Kooiman	Richardville	

Nays—48

Adamini	Dennis	Mans	Schauer
Anderson	Frank	McConico	Sheltrown
Basham	Garza	Minore	Spade

Bernero	Gielegem	Murphy	Stallworth
Bogardus	Hale	Neumann	Switalski
Bovin	Hansen	O'Neil	Thomas
Brown, B.	Hardman	Phillips	Waters
Brown, R.	Jacobs	Plakas	Whitmer
Callahan	Jamnack	Quarles	Williams
Clark, I.	Kolb	Reeves	Wojno
Clarke, H.	Lipsey	Rison	Woodward
Daniels	Lockwood	Rivet	Zelenko

In The Chair: Julian

Rep. Richardville moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.

Reps. Whitmer, Lipsey, Adamini, Kolb, Wojno, Jacobs, Woodward, Basham, Garza, Dennis, Minore, Jamnick, Waters, Plakas, Clark, Anderson, Daniels, Phillips, Hardman, Callahan, Hale, Williams and Murphy, having reserved the right to explain their nay vote, made the following statement:

“Mr. Speaker and members of the House:

I voted no on House Bill 5643, the Department of Career Development FY 2003 budget because:

- It contributes to the Governor’s plan to steal \$292 million in federal Reed Act funds to fill his budget hole. This money was given to the state to increase unemployment benefits and/or for the administration of the state’s unemployment benefit program. Instead, it’s being used for the welfare-to-work program, to fund property tax credits, and for computers for libraries.
- I object to the Michigan Strategic Fund sitting on \$30 million of Indian gaming revenue, and rather than use it to fund the state’s economic development job training program, which upgrades the skills of Michigan workers and keeps them employable, the Strategic Fund Board quickly committed this money to the Governor’s Next Energy project. This project isn’t going to be built tomorrow. There’s no need to commit funding today. During these hard budget times, it would be much wiser to use these dollars to keep the state’s workforce competitive and employed.

I also voted no because:

- This state is facing a \$480 million deficit for the current 2002 fiscal year and over \$350 million for next fiscal year, 2003. As it stands right now, a number of revenues that contribute substantially to the state’s General Fund are down a full percent from where they were a year ago.
- Unfortunately, the Governor and the Republican Legislature still cannot recommend actions to deal with the state’s structural deficit. Until we receive a clearer indication on where our revenues are heading and how the Republican Legislative Leadership intends to deal with the state’s structural deficit, I cannot in good conscience vote to make cuts in essential programs.”

Rep. Schauer, having reserved the right to explain his nay vote, made the following statement:

“Mr. Speaker and members of the House:

I voted no on House Bill 5643, the Department of Career Development FY 2003 budget because:

- It contributes to the Governor’s plan to take \$292 million in federal Reed Act funds to fill his budget hole. This money was given to the state to increase unemployment benefits and/or for the administration of the state’s unemployment benefit program. Instead, it’s being used for the welfare-to-work program, to fund property tax credits, and for computers for libraries.
- I object to the Michigan Strategic Fund sitting on \$30 million of Indian gaming revenue, and rather than use it to fund the state’s economic development job training program, which upgrades the skills of Michigan workers and keeps them employable, the Strategic Fund Board quickly committed this money to the Governor’s Next Energy project. This project isn’t going to be built tomorrow. There’s no need to commit funding today. During these hard budget times, it would be much wiser to use these dollars to keep the state’s workforce competitive and employed.

I also voted no because:

- This state is facing a \$480 million deficit for the current 2002 fiscal year and over \$350 million for next fiscal year, 2003. As it stands right now, a number of revenues that contribute substantially to the state’s General Fund are down a full percent from where they were a year ago.

- Unfortunately, the Governor and the Republican Legislature still cannot recommend actions to deal with the state's structural deficit. Until we receive a clearer indication on where our revenues are heading and how the Republican Legislative Leadership intends to deal with the state's structural deficit, I cannot in good conscience vote to make cuts in essential programs."

Rep. Clarke, having reserved the right to explain his nay vote, made the following statement:

"Mr. Speaker and members of the House:

I voted no on House Bill 5643, the Department of Career Development FY 2003 budget because:

- It contributes to the Governor's plan to steal \$292 million in federal Reed Act funds to fill his budget hole. This money was given to the state to increase unemployment benefits and/or for the administration of the state's unemployment benefit program. Instead, it's being used for the welfare-to-work program, to fund property tax credits, and for computers for libraries.
- I object to the Michigan Strategic Fund sitting on \$30 million of Indian gaming revenue, and rather than use it to fund the state's economic development job training program, which upgrades the skills of Michigan workers and keeps them employable, the Strategic Fund Board quickly committed this money to the Governor's Next Energy project. This project isn't going to be built tomorrow. There's no need to commit funding today. During these hard budget times, it would be much wiser to use these dollars to keep the state's workforce competitive and employed."

Rep. Zelenko, having reserved the right to explain her nay vote, made the following statement:

"Mr. Speaker and members of the House: I voted no on HB 5643, the Dept. of Career Development FY 2003 budget because I believe that the intent to use Reed Act funds to fill this budget deficit is wrong. The Reed Act funding was given to the state to increase unemployment benefits and / or the administration of the state's unemployment benefit program. These monies were not intended to be used for welfare to work programs, fund property tax credits or for computers for libraries.

I also believe that the \$30 million of Indian gaming revenue in the Michigan Strategic Fund should be utilized to support the economic development job training program instead of being set aside for the Governor's Next Energy project since this project is not being built right away.

In addition, the State of Michigan is facing a \$480 + million deficit for this current fiscal year (2002) and over \$350 million for next fiscal year (2003). . With the revenues that contribute to the State's General Fund down a full percent from last year, and the projections indicate they will continue to fall, it makes sense to seriously consider a pause in the scheduled SBT and Income Tax cuts."

Rep. Spade, having reserved the right to explain his nay vote, made the following statement:

"Mr. Speaker and members of the House:

I voted no on HB 5643, the Department of Career Development FY 2003 budget because:

- It makes significant cuts in Job Training Programs and Economic Development Job Training Grants, which provide critical services to manufacturers in my district as well as statewide. In tough economic times, I think it is more critical than ever that these programs be adequately funded."

The Speaker laid before the House the conference report relative to

House Bill No. 5648, entitled

A bill to make appropriations for the judicial branch for the fiscal year ending September 30, 2003; 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 conference report was reported by the conference committee on June 18, consideration of which, under the rules, was postponed until today.)

(For conference report, see House Journal No. 56, p. 2031.)

The question being on the adoption of the conference report,

The conference report was adopted, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 935

Yeas—56

Allen	Gilbert	Kuipers	Richner
Birkholz	Godchaux	LaSata	Rocca
Bisbee	Gosselin	Mead	Scranton

Bishop	Hager	Meyer	Shackleton
Bradstreet	Hart	Middaugh	Shulman
Brown, C.	Howell	Mortimer	Spade
Cassis	Hummel	Newell	Stamas
Caul	Jelinek	Palmer	Stewart
DeRossett	Johnson, Rick	Pappageorge	Tabor
DeVuyst	Johnson, Ruth	Patterson	Van Woerkom
DeWeese	Julian	Pestka	Vander Roest
Ehardt	Koetje	Pumford	Vander Veen
Faunce	Kooiman	Rackowski	Vear
George	Kowall	Richardville	Voorhees

Nays—47

Adamini	Dennis	Lockwood	Schauer
Anderson	Drolet	Mans	Sheltrown
Basham	Frank	McConico	Stallworth
Bernero	Garza	Minore	Switalski
Bogardus	Gielegem	Murphy	Thomas
Bovin	Hale	Neumann	Waters
Brown, B.	Hansen	O'Neil	Whitmer
Brown, R.	Hardman	Phillips	Williams
Callahan	Jacobs	Quarles	Wojno
Clark, I.	Jamnick	Reeves	Woodward
Clarke, H.	Kolb	Rison	Zelenko
Daniels	Lipsey	Rivet	

In The Chair: Julian

Rep. Richardville moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.

Reps. Schauer, Williams, Jamnick, Minore, Jacobs, Hale, Wojno, Basham, Clark, Anderson, Plakas, Daniels, Lipsey, Garza, Callahan, Dennis, Kolb, Murphy and Phillips, having reserved the right to explain their nay vote, made the following statement:

“Mr. Speaker and members of the House:

I voted no on the conference report to House Bill 5648, the Judiciary budget, because:

- I believe the \$6 million in refund money from the federal government related to penalties previously imposed for the child support enforcement system should be used for children, and not for the implementation of cyber court - a means for big business to expedite their legal problems.

In addition, I voted no on House Bill 5648 because:

- I believe the state is not using federal employment funds as they were intended. I would hate to see the state lose money that could be used to improve unemployment benefits, simply because we chose to spend the money on other programs.
- This state is facing a \$480 million deficit for the current 2002 fiscal year and over \$350 million for next fiscal year, 2003. As it stands right now, a number of revenues which contribute substantially to the state's General Fund are down a full ten percent from where they were a year ago.
- Unfortunately, the Governor and Republican Legislatures still cannot recommend actions to deal with the state's structural deficit. Until we receive a clearer indication on where our revenues are heading and how the Republican Legislative leadership intends to deal with the state's structural deficit, I cannot in good conscience vote to make cuts in essential programs.”

Rep. Clarke, having reserved the right to explain his nay vote, made the following statement:

“Mr. Speaker and members of the House:

I voted no on the conference report to House Bill 5648, the Judiciary budget, because:

- I believe the \$6 million in refund money from the federal government related to penalties previously imposed for the child support enforcement system should be used for children, and not for the implementation of the cyber court.”

Rep. Zelenko, having reserved the right to explain her nay vote, made the following statement:

“Mr. Speaker and members of the House: Conference report HB5648 Judiciary budget. I believe the \$6 million in refund money from the federal government related to penalties imposed for the child support enforcement system should be used for children and not for the implementation of cyber court. I believe this puts the interests of big business and their abilities to expedite their legal problems over the needs of children. In addition, the State of Michigan is facing a \$480 + million deficit for this current fiscal year (2002) and over \$350 million for next fiscal year (2003). With the revenues that contribute to the State’s General Fund down from last year, and the projections indicate they will continue to fall, it makes sense to seriously consider a pause in the scheduled SBT and Income Tax cuts, and focus on the state’s structural deficit.”

The Speaker laid before the House the conference report relative to

House Bill No. 5649, entitled

A bill to make, supplement, and adjust appropriations for the department of military and veterans affairs for the fiscal years ending September 30, 2002 and September 30, 2003; 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 conference report was reported by the conference committee on June 18, consideration of which, under the rules, was postponed until today.)

(For conference report, see House Journal No. 56, p. 2038.)

The question being on the adoption of the conference report,

The conference report was adopted, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 936

Yeas—102

Adamini	Frank	Lipsey	Rison
Allen	Garza	Lockwood	Rivet
Anderson	George	Mans	Rocca
Basham	Gieleghem	McConico	Schauer
Bernero	Gilbert	Mead	Scranton
Birkholz	Godchaux	Meyer	Shackleton
Bisbee	Gosselin	Middaugh	Sheltrown
Bishop	Hager	Minore	Shulman
Bogardus	Hale	Mortimer	Spade
Bovin	Hansen	Murphy	Stamas
Bradstreet	Hardman	Neumann	Stewart
Brown, B.	Hart	Newell	Switalski
Brown, C.	Howell	O’Neil	Tabor
Brown, R.	Hummel	Palmer	Thomas
Callahan	Jacobs	Pappageorge	Van Woerkom
Cassis	Jamnick	Patterson	Vander Roest
Caul	Jelinek	Pestka	Vander Veen
Clark, I.	Johnson, Rick	Phillips	Vear
Clarke, H.	Johnson, Ruth	Plakas	Voorhees
Daniels	Julian	Pumford	Waters
Dennis	Koetje	Quarles	Whitmer
DeRossett	Kolb	Raczkowski	Williams
DeVuyst	Kooiman	Reeves	Wojno
DeWeese	Kowall	Richardville	Woodward
Ehardt	Kuipers	Richner	Zelenko
Faunce	LaSata		

Nays—2

Drolet

Stallworth

In The Chair: Julian

Rep. Richardville moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.

The Speaker laid before the House the conference report relative to

Senate Bill No. 1103, entitled

A bill to make appropriations for the department of education and certain other purposes relating to education for the fiscal year ending September 30, 2003; to provide for the expenditure of the appropriations; to prescribe the powers and duties of certain state departments, school districts, and other governmental bodies; and to provide for the disposition of fees and other income received by certain legal entities and state agencies.

(The conference report was reported by the conference committee on June 18, consideration of which, under the rules, was postponed until today.)

(For conference report, see House Journal No. 56, p. 2080.)

The question being on the adoption of the conference report,

The conference report was adopted, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 937**Yeas—62**

Allen	Godchaux	Meyer	Scranton
Birkholz	Gosselin	Middaugh	Shackleton
Bisbee	Hager	Mortimer	Sheltrown
Bishop	Hart	Neumann	Shulman
Bradstreet	Howell	Newell	Spade
Brown, C.	Hummel	Palmer	Stamas
Cassis	Jelinek	Pappageorge	Stewart
Caul	Johnson, Rick	Patterson	Switalski
DeRossett	Johnson, Ruth	Pestka	Tabor
DeVuyst	Julian	Pumford	Thomas
DeWeese	Koetje	Raczkowski	Van Woerkom
Drolet	Kooiman	Richardville	Vander Roest
Ehardt	Kowall	Richner	Vander Veen
Faunce	Kuipers	Rocca	Vear
George	LaSata	Schauer	Voorhees
Gilbert	Mead		

Nays—42

Adamini	Daniels	Lipsey	Reeves
Anderson	Dennis	Lockwood	Rison
Basham	Frank	Mans	Rivet
Bernero	Garza	McConico	Stallworth
Bogardus	Gielegem	Minore	Waters
Bovin	Hale	Murphy	Whitmer
Brown, B.	Hansen	O'Neil	Williams
Brown, R.	Hardman	Phillips	Wojno
Callahan	Jacobs	Plakas	Woodward
Clark, I.	Jamnack	Quarles	Zelenko
Clarke, H.	Kolb		

In The Chair: Julian

Rep. Richardville moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.

Reps. Dennis, Plakas, Anderson, Woodward, Kolb, Hardman, Bogardus, Garza, Basham, Williams, Wojno, Jamnick, Minore, Clark and Murphy, having reserved the right to explain their nay vote, made the following statement:

“Mr. Speaker and members of the House:

I voted no on Senate Bill 1103 (CR-1), the FY 2003 Department of Education budget, because the Auditor General recently released a report that was critical of the Office of Education Options, specifically relating to the oversight of charter schools. Superintendent of Public Instruction Tom Watkins requested additional staffing to that office in order to address the problems identified by the Auditor General. This budget does not address that problem. In addition, this budget cuts funding to the School Readiness Grants, which would result in 363 fewer children receiving needed services.

Finally, I voted no on Senate Bill 1103 (CR-1) because:

- I believe the state is not using federal employment funds as they were intended. I would hate to see the state lose money that could be used to improve unemployment benefits, simply because we chose to spend the money on other programs.
- This state is facing a \$480 million deficit for the current 2002 fiscal year and over \$350 million for next fiscal year, 2003. As it stands right now, a number of revenues which contribute substantially to the state’s General Fund are down a full ten percent from where they were a year ago.
- Unfortunately, the Governor and Republican Legislatures still cannot recommend actions to deal with the state’s structural deficit. Until we receive a clearer indication on where our revenues are heading and how the Republican Legislative leadership intends to deal with the state’s structural deficit, I cannot in good conscience vote to make cuts in essential programs.”

Rep. Zelenko, having reserved the right to explain her nay vote, made the following statement:

“Mr. Speaker and members of the House:

SB 1103 (CR-1) FY 2003 Dept of Ed budget I believe the state is not utilizing the federal employment funds correctly. I fear that we are jeopardizing losing that funding for improving unemployment benefits because we chose to spend it elsewhere. I also believe that we are remiss in not considering the Auditor General’s recently release report relating to the oversight of charter schools, especially since the state’s Superintendent of Public Instruction, Tom Watkin’s requested additional staffing to address these problems. This budget does not address these problems. Additionally, this budget cuts funding to the School Readiness Grants, which would result in 363 fewer children receiving necessary services. In addition, the State of Michigan is facing a \$480 + million deficit for this current fiscal year (2002) and over \$350 million for next fiscal year (2003). With the revenues that contribute to the State’s General Fund down from last year, and the projections indicate they will continue to fall, it makes sense to seriously consider a pause in the scheduled SBT and Income Tax cuts, and focus on the state’s structural deficit.”

Messages from the Senate

The Speaker laid before the House

Senate Bill No. 1102, entitled

A bill to make appropriations for the department of corrections and certain state purposes related to corrections for the fiscal year ending September 30, 2003; to provide for the expenditure of the appropriations; to provide for reports; to provide for the creation of certain advisory committees and boards; to prescribe certain powers and duties of the department of corrections, certain other state officers and agencies, and certain advisory committees and boards; to provide for the collection of certain funds; and to provide for the disposition of fees and other income received by certain state agencies.

(The bill was received from the Senate on June 18, with amendments to the House substitute (H-1), consideration of which, under the rules, was postponed until today, see House Journal No. 56, p. 2106.)

The question being on concurring in the amendments made to the House substitute (H-1) by the Senate,

Reps. Reeves and LaSata moved to amend the Senate amendments as follows:

1. Amend Senate Amendment No. 23, page 21, following line 9, section 262, following subsection (2), by inserting:

“(3) If the appropriations in subsection (1) become effective pursuant to subsection (2), the department, from the funds appropriated in part 1, shall offer an alanine aminotransferase (ALT) test to each prisoner who has received positive parole action. An explanation of results of the test shall be provided confidentially to the prisoner prior to release on parole and, if appropriate based on the test results, the prisoner shall also be provided a recommendation to seek follow-up medical attention in the community. The test shall be voluntary; if the prisoner refuses to be tested, that decision shall not affect parole release, conditions of parole, or parole supervision.”

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

The question being on concurring in the amendments made to the House substitute (H-1) by the Senate,

The Senate amendments, as amended, were concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 938**Yeas—57**

Allen	Godchaux	LaSata	Richner
Birkholz	Gosselin	Mans	Rocca
Bisbee	Hager	Mead	Schauer
Bishop	Hart	Meyer	Scranton
Bradstreet	Howell	Middaugh	Shackleton
Brown, C.	Hummel	Mortimer	Shulman
Cassis	Jelinek	Newell	Stamas
Caul	Johnson, Rick	Palmer	Stewart
DeRossett	Johnson, Ruth	Pappageorge	Tabor
DeVuyst	Julian	Patterson	Van Woerkom
DeWeese	Koetje	Pestka	Vander Roest
Ehardt	Kooiman	Pumford	Vander Veen
Faunce	Kowall	Raczkowski	Vear
George	Kuipers	Richardville	Voorhees
Gilbert			

Nays—47

Adamini	Dennis	Lockwood	Sheltrown
Anderson	Drolet	McConico	Spade
Basham	Frank	Minore	Stallworth
Bernero	Garza	Murphy	Switalski
Bogardus	Gielegem	Neumann	Thomas
Bovin	Hale	O'Neil	Waters
Brown, B.	Hansen	Phillips	Whitmer
Brown, R.	Hardman	Plakas	Williams
Callahan	Jacobs	Quarles	Wojno
Clark, I.	Jamnack	Reeves	Woodward
Clarke, H.	Kolb	Rison	Zelenko
Daniels	Lipsey	Rivet	

In The Chair: Julian

Reps. Hardman, Phillips, Anderson, Plakas, Basham, Williams, Lipsey, Wojno, Jacobs, Jamnick, Callahan, Minore, Clark, Murphy and Clarke having reserved the right to explain their nay vote, made the following statement:

“Mr. Speaker and members of the House:

I voted no on Senate Bill 1102 because this budget’s GF/GP increase recommendations cover prison bed expansion and administrative expenses, i.e. leadership training. There have been no recommendations to re-implement substance abuse programs, educational programs or cognitive skills training for prisoners. I also voted no because language that required Hepatitis C testing for inmates about to be released into the community was also removed. Studies have shown that Hepatitis C is one of the largest growing viruses among women. Evidence suggests that this rise is due to infected prisoners being released untreated into our communities.

I also voted no because this state is facing a \$480 million deficit for the current 2002 fiscal year and over \$350 million for next fiscal year, 2003. As it stands right now, a number of revenues which contribute substantially to the state’s General Fund are down a full ten percent from where they were a year ago.

Unfortunately, the Governor and Republican Legislatures still cannot recommend actions to deal with the state’s structural deficit. Until we receive a clearer indication on where our revenues are heading and how the Republican Legislative leadership intends to deal with the state’s structural deficit, I cannot in good conscience vote to make cuts in essential programs.”

Rep. Reeves, having reserved the right to explain her nay vote, made the following statement:

“Mr. Speaker and members of the House:

I voted no on Senate Bill 1102 because this budget’s GF/GP increase recommendations cover prison bed expansion and administrative expenses, i.e. leadership training. There have been no recommendations to re-implement substance abuse programs, educational programs or cognitive skills training for prisoners. I also voted no because language that required Hepatitis C testing for inmates about to be released into the community was also removed. Studies have shown that Hepatitis C is one of the largest growing viruses among women. Evidence suggests that this rise is due to infected prisoners being released untreated into our communities.

I also voted no because this state is facing a \$480 million deficit for the current 2002 fiscal year and over \$350 million for next fiscal year, 2003. As it stands right now, a number of revenues which contribute substantially to the state’s General Fund are down a full ten percent from where they were a year ago.

Unfortunately, the Governor and Republican Legislatures still cannot recommend actions to deal with the state’s structural deficit. Until we receive a clearer indication on where our revenues are heading and how the Republican Legislative leadership intends to deal with the state’s structural deficit, I cannot in good conscience vote to make cuts in essential programs.

Also, I am appalled by the cuts to local jails, via the jail reimbursement program.”

Rep. Zelenko, having reserved the right to explain her nay vote, made the following statement:

“Mr. Speaker and members of the House:

SB 1102 I believe that the increase recommendations covering bed expansion and leadership training for administration are setting the wrong priorities. Especially when there are no recommendations to reinstate substance abuse programs, educational programs, or cognitive training for prisoners. I also believe that the removal of the language to require Hepatitis C testing of inmates that are about to be released to the community sends an unmindful message. These inmates need to know if they are infected and where to obtain treatment if they are. Hepatitis C is growing fast among women and there is evidence suggesting that this rise is due to infected prisoners being released, untreated to our communities. In addition, the State of Michigan is facing a \$480 + million deficit for this current fiscal year (2002) and over \$350 million for next fiscal year (2003). . With the revenues that contribute to the State’s General Fund down from last year, and the projections indicate they will continue to fall, it makes sense to seriously consider a pause in the scheduled SBT and Income Tax cuts, and focus on the state’s structural deficit.”

The Senate requested the return of

House Bill No. 5468, entitled

A bill to amend 1982 PA 432, entitled “Motor bus transportation act,” by amending section 4 (MCL 474.104), as amended by 1989 PA 233.

The message was referred to the Clerk for record.

By unanimous consent the House returned to the consideration of

Motions and Resolutions

Rep. Richardville moved that a respectful message be sent to the Governor requesting the return of **House Bill No. 5468**. The motion prevailed.

Messages from the Governor

June 19, 2002

Mr. Gary L. Randall, Clerk
Michigan House of Representatives
State Capitol Building
Lansing, Michigan 48913

Dear Mr. Randall:

Per the request of the House of Representatives, I am returning Enrolled House Bill No. 5468.

Sincerely,
John Engler
Governor

By unanimous consent the House returned to the consideration of
Motions and Resolutions

Rep. Richardville moved to vacate the enrollment of **House Bill No. 5468**.
 The motion prevailed.

Rep. Richardville moved that the request of the Senate be granted.
 The motion prevailed.

Rep. Richardville moved that a respectful message be sent to the Senate requesting the return of **Senate Bill No. 1099**.
 The motion prevailed.

Rep. Jacobs moved that Rep. Whitmer be excused temporarily from today's session.
 The motion prevailed.

Messages from the Senate

The Speaker laid before the House
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.

(The bill was received from the Senate on June 18, with substitute (S-2), title amendment and immediate effect given by the Senate, consideration of which, under the rules, was postponed until today, see House Journal No. 56, p. 2104.)

The question being on concurring in the substitute (S-2) made to the bill by the Senate,

The substitute (S-2) was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 939

Yeas—100

Adamini	Faunce	LaSata	Rison
Allen	Garza	Lipsey	Rivet
Anderson	George	Lockwood	Rocca
Basham	Gielegem	Mans	Schauer
Bernero	Gilbert	McConico	Scranton
Birkholz	Godchaux	Mead	Shackleton
Bisbee	Gosselin	Meyer	Sheltrown
Bishop	Hager	Middaugh	Shulman
Bogardus	Hale	Minore	Spade
Bovin	Hansen	Mortimer	Stallworth
Bradstreet	Hardman	Murphy	Stamas
Brown, B.	Hart	Neumann	Stewart
Brown, C.	Howell	Newell	Switalski
Brown, R.	Hummel	O'Neil	Tabor
Callahan	Jacobs	Palmer	Thomas
Cassis	Jamnick	Pappageorge	Van Woerkom
Caul	Jelinek	Patterson	Vander Roest
Clark, I.	Johnson, Rick	Pestka	Vander Veen
Clarke, H.	Johnson, Ruth	Phillips	Vear
Daniels	Julian	Plakas	Voorhees

Dennis
DeRossett
DeVuyst
DeWeese
Ehardt

Koetje
Kolb
Kooiman
Kowall
Kuipers

Pumford
Rackowski
Reeves
Richardville
Richner

Waters
Williams
Wojno
Woodward
Zelenko

Nays—1

Drolet

In The Chair: Julian

The House agreed to the title as amended.

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

Associate Speaker Pro Tempore Ehardt assumed the Chair.

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

Senate Bill No. 1268, 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 18e (MCL 247.668e), as amended by 1985 PA 201.

Rep. Richardville moved that Rule 67 be suspended.

The motion prevailed, 3/5 of the members present voting therefor.

Rep. Richardville moved to reconsider the vote by which the House passed the bill.

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

Third Reading of Bills

Senate Bill No. 1268, 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 18e (MCL 247.668e), as amended by 1985 PA 201.

(The bill was passed on June 4, see House Journal No. 53, p. 1839.)

The question being on the passage of the bill,

Rep. Vear moved to substitute (H-1) the bill.

The motion was seconded and the substitute (H-1) was adopted, a majority of the members serving voting therefor.

The question being on the passage of the bill,

The bill was then passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 940

Yeas—97

Adamini	Frank	Lipsey	Rison
Allen	Garza	Lockwood	Rivet
Anderson	George	Mans	Rocca
Basham	Gielegem	McConico	Schauer
Bernero	Gilbert	Mead	Scranton
Birkholz	Gosselin	Meyer	Shackleton
Bisbee	Hager	Middaugh	Sheltrown
Bishop	Hansen	Minore	Shulman
Bovin	Hardman	Mortimer	Spade
Bradstreet	Hart	Murphy	Stallworth
Brown, B.	Howell	Neumann	Stamas
Brown, C.	Hummel	Newell	Stewart
Brown, R.	Jacobs	O'Neil	Switalski
Callahan	Jamnick	Palmer	Tabor
Cassis	Jelinek	Pappageorge	Van Woerkom
Caul	Johnson, Rick	Patterson	Vander Roest
Clark, I.	Johnson, Ruth	Pestka	Vander Veen
Clarke, H.	Julian	Phillips	Vear
Daniels	Koetje	Plakas	Voorhees

Roll Call No. 941**Yeas—100**

Adamini	Ehardt	Kuipers	Richner
Allen	Faunce	LaSata	Rison
Anderson	Frank	Lipsey	Rivet
Basham	Garza	Lockwood	Rocca
Bernero	George	Mans	Schauer
Birkholz	Gielegem	McConico	Shackleton
Bisbee	Gilbert	Mead	Sheltrown
Bishop	Gosselin	Meyer	Shulman
Bogardus	Hager	Middaugh	Spade
Bovin	Hale	Minore	Stallworth
Bradstreet	Hansen	Mortimer	Stamas
Brown, B.	Hardman	Murphy	Stewart
Brown, C.	Hart	Neumann	Switalski
Brown, R.	Howell	Newell	Tabor
Callahan	Hummel	O'Neil	Thomas
Cassis	Jacobs	Palmer	Van Woerkom
Caul	Jamnick	Pappageorge	Vander Roest
Clark, I.	Jelinek	Patterson	Vander Veen
Clarke, H.	Johnson, Rick	Pestka	Vear
Daniels	Johnson, Ruth	Phillips	Voorhees
Dennis	Julian	Plakas	Waters
DeRossett	Koetje	Pumford	Williams
DeVuyst	Kolb	Raczkowski	Wojno
DeWeese	Kooiman	Reeves	Woodward
Drolet	Kowall	Richardville	Zelenko

Nays—0

In The Chair: Ehardt

The House agreed to the full title of the bill.

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

Rep. Vander Roest moved that Rep. Birkholz be excused temporarily from today's session.
The motion prevailed.

Associate Speaker Pro Tempore Julian resumed the Chair.

The Speaker laid before the House

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.

(The bill was received from the Senate on June 13, with substitute (S-2), full title inserted and immediate effect given by the Senate, consideration of which, under the rules, was postponed until June 18, see House Journal No. 55, p. 1934.)

The question being on concurring in the substitute (S-2) made to the bill by the Senate,

The substitute (S-2) was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 942**Yeas—102**

Adamini	Frank	Lipsey	Rison
Allen	Garza	Lockwood	Rivet
Anderson	George	Mans	Rocca
Basham	Gielegem	McConico	Schauer
Bernero	Gilbert	Mead	Scranton
Bisbee	Godchaux	Meyer	Shackleton
Bishop	Gosselin	Middaugh	Sheltrown
Bogardus	Hager	Minore	Shulman
Bovin	Hale	Mortimer	Spade
Bradstreet	Hansen	Murphy	Stallworth
Brown, B.	Hardman	Neumann	Stamas
Brown, C.	Hart	Newell	Stewart
Brown, R.	Howell	O'Neil	Switalski
Callahan	Hummel	Palmer	Tabor
Cassis	Jacobs	Pappageorge	Thomas
Caul	Jamnick	Patterson	Van Woerkom
Clark, I.	Jelinek	Pestka	Vander Roest
Clarke, H.	Johnson, Rick	Phillips	Vander Veen
Daniels	Johnson, Ruth	Plakas	Vear
Dennis	Julian	Pumford	Voorhees
DeRossett	Koetje	Quarles	Waters
DeVuyst	Kolb	Raczkowski	Williams
DeWeese	Kooiman	Reeves	Wojno
Drolet	Kowall	Richardville	Woodward
Ehardt	Kuipers	Richner	Zelenko
Faunce	LaSata		

Nays—0

In The Chair: Julian

The House agreed to the full title of the bill.

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

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

Senate Bill No. 1099, entitled

A bill to make appropriations for certain capital outlay programs and state departments and agencies for the fiscal year ending September 30, 2003; to implement the appropriations within the budgetary process; to make appropriations for planning and construction at state agencies; to make appropriations for state building authority rent and insurance; to make a grant for state building authority rent; to provide for the acquisition of land and buildings; to provide for the elimination of fire hazards; to provide for special maintenance, remodeling and addition, alteration, renovation, demolition, and other projects; to provide for elimination of occupational safety and health hazards; to provide for the award and implementation of contracts; to provide for the purchase of furnishings and equipment relative to occupancy of a project; to provide for the development of public recreation facilities; to provide for certain advances from the general fund; to prescribe powers and duties of certain state officers and agencies; to require certain reports, plans, and agreements; to provide for leases; to provide for transfers; to prescribe standards and conditions relating to the appropriations; and to provide for the expenditure of appropriations.

Rep. Richardville moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

Rep. Frank moved to reconsider the vote by which the House gave the bill immediate effect.

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

Rep. Richardville moved that the bill be given immediate effect.

The question being on the motion made by Rep. Richardville,

Rep. Frank demanded the yeas and nays.

The demand was supported.

The question being on the motion made by Rep. Richardville,

The motion did not prevail, 2/3 of the members serving not voting therefor, by yeas and nays, as follows:

Roll Call No. 943**Yeas—56**

Allen	George	Kowall	Richner
Birkholz	Gilbert	Kuipers	Rocca
Bisbee	Godchaux	LaSata	Schauer
Bishop	Gosselin	Mead	Scranton
Bradstreet	Hager	Meyer	Shackleton
Brown, C.	Hart	Middaugh	Shulman
Cassis	Howell	Mortimer	Stamas
Caul	Hummel	Newell	Stewart
DeRossett	Jelinek	Palmer	Tabor
DeVuyst	Johnson, Rick	Pappageorge	Van Woerkom
DeWeese	Johnson, Ruth	Patterson	Vander Roest
Drolet	Julian	Pestka	Vander Veen
Ehardt	Koetje	Pumford	Vear
Faunce	Kooiman	Richardville	Voorhees

Nays—44

Adamini	Daniels	Mans	Rison
Anderson	Dennis	McConico	Rivet
Basham	Frank	Minore	Sheltrown
Bernero	Gielegem	Murphy	Spade
Bogardus	Hale	Neumann	Stallworth
Bovin	Hansen	O'Neil	Switalski
Brown, B.	Hardman	Phillips	Waters
Brown, R.	Jacobs	Plakas	Williams
Callahan	Jamnick	Quarles	Wojno
Clark, I.	Lipsey	Rackowski	Woodward
Clarke, H.	Lockwood	Reeves	Zelenko

In The Chair: Julian

Rep. Richardville moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

The Speaker laid before the House

House Bill No. 5336, entitled

A bill to amend 1989 PA 24, entitled "The district library establishment act," by amending sections 6, 12, 14, and 25 (MCL 397.176, 397.182, 397.184, and 397.195).

(The bill was received from the Senate on June 13, with substitute (S-2), title amendment and immediate effect given by the Senate, consideration of which, under the rules, was postponed until June 18, see House Journal No. 55, p. 1932.)

The question being on concurring in the substitute (S-2) made to the bill by the Senate,

Rep. Lockwood moved to substitute (H-3) the Senate substitute (S-2).

The motion prevailed and the substitute (H-3) was adopted, a majority of the members serving voting therefor.

The question being on concurring in the substitute (S-2) made to the bill by the Senate,

The substitute (S-2), as substituted (H-3), was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 944**Yeas—99**

Adamini	Ehardt	Kowall	Richner
Allen	Faunce	Kuipers	Rison
Anderson	Frank	LaSata	Rivet
Basham	Garza	Lipsey	Rocca
Bernero	George	Lockwood	Schauer
Birkholz	Gielegem	Mans	Scranton
Bisbee	Gilbert	Mead	Shackleton
Bishop	Godchaux	Meyer	Sheltrown
Bogardus	Gosselin	Middaugh	Shulman
Bovin	Hager	Minore	Spade
Bradstreet	Hale	Mortimer	Stamas
Brown, B.	Hansen	Murphy	Stewart
Brown, C.	Hardman	Neumann	Switalski
Brown, R.	Hart	Newell	Tabor
Callahan	Howell	O'Neil	Van Woerkom
Cassis	Hummel	Palmer	Vander Roest
Caul	Jacobs	Pappageorge	Vander Veen
Clark, I.	Jamnick	Patterson	Vear
Clarke, H.	Jelinek	Pestka	Voorhees
Daniels	Johnson, Rick	Phillips	Whitmer
Dennis	Johnson, Ruth	Plakas	Williams
DeRossett	Julian	Pumford	Wojno
DeVuyst	Koetje	Rackowski	Woodward
DeWeese	Kolb	Reeves	Zelenko
Drolet	Kooiman	Richardville	

Nays—0

In The Chair: Julian

The House agreed to the title as amended.

The Speaker laid before the House

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.

(The bill was received from the Senate on June 18, with substitute (S-1), title amendment and immediate effect given by the Senate, consideration of which, under the rules, was postponed until today, see House Journal No. 56, p. 2106.)

The question being on concurring in the substitute (S-1) made to the bill by the Senate,

The substitute (S-1) was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 945**Yeas—104**

Adamini	Faunce	LaSata	Rison
Allen	Frank	Lipsey	Rivet
Anderson	Garza	Lockwood	Rocca
Basham	George	Mans	Schauer
Bernero	Gielegem	McConico	Scranton
Birkholz	Gilbert	Mead	Shackleton

Bisbee	Godchaux	Meyer	Sheltrown
Bishop	Gosselin	Middaugh	Shulman
Bogardus	Hager	Minore	Spade
Bovin	Hale	Mortimer	Stallworth
Bradstreet	Hansen	Murphy	Stamas
Brown, B.	Hardman	Neumann	Stewart
Brown, C.	Hart	Newell	Switalski
Brown, R.	Howell	O'Neil	Tabor
Callahan	Hummel	Palmer	Thomas
Cassis	Jacobs	Pappageorge	Van Woerkom
Caul	Jamnack	Patterson	Vander Roest
Clark, I.	Jelinek	Pestka	Vander Veen
Clarke, H.	Johnson, Rick	Phillips	Vear
Daniels	Johnson, Ruth	Plakas	Voorhees
Dennis	Julian	Pumford	Waters
DeRossett	Koetje	Quarles	Whitmer
DeVuyst	Kolb	Raczkowski	Williams
DeWeese	Kooiman	Reeves	Wojno
Drolet	Kowall	Richardville	Woodward
Ehardt	Kuipers	Richner	Zelenko

Nays—0

In The Chair: Julian

The House agreed to the title as amended.

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

The Speaker laid before the House

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.

(The bill was received from the Senate on June 13, with substitute (S-1), full title inserted and immediate effect given by the Senate, consideration of which, under the rules, was postponed until June 18, see House Journal No. 55, p. 1934.)

The question being on concurring in the substitute (S-1) made to the bill by the Senate,

The substitute (S-1) was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 946**Yeas—102**

Adamini	Faunce	LaSata	Richner
Allen	Frank	Lipsey	Rison
Anderson	Garza	Lockwood	Rivet
Basham	George	Mans	Rocca
Bernero	Gielegem	McConico	Schauer
Birkholz	Gilbert	Mead	Scranton
Bisbee	Godchaux	Meyer	Shackleton
Bishop	Gosselin	Middaugh	Sheltrown
Bogardus	Hager	Minore	Shulman
Bovin	Hale	Mortimer	Spade
Bradstreet	Hansen	Murphy	Stamas
Brown, B.	Hardman	Neumann	Stewart

Brown, C.	Hart	Newell	Switalski
Brown, R.	Howell	O'Neil	Tabor
Callahan	Hummel	Palmer	Van Woerkom
Cassis	Jacobs	Pappageorge	Vander Roest
Caul	Jamnack	Patterson	Vander Veen
Clark, I.	Jelinek	Pestka	Vear
Clarke, H.	Johnson, Rick	Phillips	Voorhees
Daniels	Johnson, Ruth	Plakas	Waters
Dennis	Julian	Pumford	Whitmer
DeRossett	Koetje	Quarles	Williams
DeVuyst	Kolb	Rackowski	Wojno
DeWeese	Kooiman	Reeves	Woodward
Drolet	Kowall	Richardville	Zelenko
Ehardt	Kuipers		

Nays—0

In The Chair: Julian

The House agreed to the full title of the bill.

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

The Speaker laid before the House

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.

(The bill was received from the Senate on June 13, with substitute (S-1), full title inserted and immediate effect given by the Senate, consideration of which, under the rules, was postponed until June 18, see House Journal No. 55, p. 1933.)

The question being on concurring in the substitute (S-1) made to the bill by the Senate,

The substitute (S-1) was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 947

Yeas—103

Adamini	Faunce	LaSata	Rison
Allen	Frank	Lipsey	Rivet
Anderson	Garza	Lockwood	Rocca
Basham	George	Mans	Schauer
Bernero	Gielegem	McConico	Scranton
Birkholz	Gilbert	Mead	Shackleton
Bisbee	Godchaux	Meyer	Sheltrown
Bishop	Gosselin	Middaugh	Shulman
Bogardus	Hager	Minore	Spade
Bovin	Hale	Mortimer	Stallworth
Bradstreet	Hansen	Murphy	Stamas
Brown, B.	Hardman	Neumann	Stewart
Brown, C.	Hart	Newell	Switalski
Brown, R.	Howell	O'Neil	Tabor
Callahan	Hummel	Palmer	Van Woerkom
Cassis	Jacobs	Pappageorge	Vander Roest
Caul	Jamnack	Patterson	Vander Veen
Clark, I.	Jelinek	Pestka	Vear

Clarke, H.	Johnson, Rick	Phillips	Voorhees
Daniels	Johnson, Ruth	Plakas	Waters
Dennis	Julian	Pumford	Whitmer
DeRossett	Koetje	Quarles	Williams
DeVuyst	Kolb	Rackowski	Wojno
DeWeese	Kooiman	Reeves	Woodward
Drolet	Kowall	Richardville	Zelenko
Ehardt	Kuipers	Richner	

Nays—0

In The Chair: Julian

The House agreed to the full title of the bill.

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

Rep. Jacobs moved that Rep. Thomas be excused temporarily from today's session.

The motion prevailed.

The Speaker laid before the House

House Bill No. 5362, entitled

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

(The bill was received from the Senate on June 13, with an amendment, full title inserted and immediate effect given by the Senate, consideration of which, under the rules, was postponed until June 18, see House Journal No. 55, p. 1933.)

The question being on concurring in the amendment made to the bill by the Senate,

The amendment was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 948**Yeas—102**

Adamini	Faunce	LaSata	Richner
Allen	Frank	Lipsey	Rison
Anderson	Garza	Lockwood	Rivet
Basham	George	Mans	Rocca
Bernero	Gielegem	McConico	Schauer
Birkholz	Gilbert	Mead	Scranton
Bisbee	Godchaux	Meyer	Shackleton
Bishop	Gosselin	Middaugh	Sheltrown
Bogardus	Hager	Minore	Shulman
Bovin	Hale	Mortimer	Spade
Bradstreet	Hansen	Murphy	Stamas
Brown, B.	Hardman	Neumann	Stewart
Brown, C.	Hart	Newell	Switalski
Brown, R.	Howell	O'Neil	Tabor
Callahan	Hummel	Palmer	Van Woerkom
Cassis	Jacobs	Pappageorge	Vander Roest
Caul	Jamnick	Patterson	Vander Veen
Clark, I.	Jelinek	Pestka	Vear
Clarke, H.	Johnson, Rick	Phillips	Voorhees
Daniels	Johnson, Ruth	Plakas	Waters

Dennis	Julian	Pumford	Whitmer
DeRossett	Koetje	Quarles	Williams
DeVuyst	Kolb	Raczkowski	Wojno
DeWeese	Kooiman	Reeves	Woodward
Drolet	Kowall	Richardville	Zelenko
Ehardt	Kuipers		

Nays—0

In The Chair: Julian

The House agreed to the full title of the bill.

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

The Speaker laid before the House

House Bill No. 5380, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 16901, 16902, 16903, 16904a, 16905, 16906, 16908, and 16909 (MCL 324.16901, 324.16902, 324.16903, 324.16904a, 324.16905, 324.16906, 324.16908, and 324.16909), sections 16901 and 16903 as amended and section 16904a as added by 1997 PA 17 and section 16908 as amended by 1995 PA 268; and to repeal acts and parts of acts.

(The bill was received from the Senate on June 13, with substitute (S-4), title amendment and immediate effect given by the Senate, consideration of which, under the rules, was postponed until June 18, see House Journal No. 55, p. 1933.)

The question being on concurring in the substitute (S-4) made to the bill by the Senate,

The substitute (S-4) was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 949**Yeas—102**

Adamini	Faunce	Lipsey	Rison
Allen	Frank	Lockwood	Rivet
Anderson	Garza	Mans	Rocca
Basham	George	McConico	Schauer
Bernero	Gielegem	Mead	Scranton
Birkholz	Gilbert	Meyer	Shackleton
Bisbee	Godchaux	Middaugh	Sheltrown
Bishop	Gosselin	Minore	Shulman
Bogardus	Hager	Mortimer	Spade
Bovin	Hale	Murphy	Stallworth
Bradstreet	Hansen	Neumann	Stamas
Brown, B.	Hardman	Newell	Stewart
Brown, C.	Hart	O'Neil	Switalski
Brown, R.	Howell	Palmer	Tabor
Callahan	Hummel	Pappageorge	Van Woerkom
Cassis	Jacobs	Patterson	Vander Roest
Caul	Jamnack	Pestka	Vander Veen
Clark, I.	Jelinek	Phillips	Vear
Clarke, H.	Johnson, Rick	Plakas	Voorhees
Daniels	Johnson, Ruth	Pumford	Waters
Dennis	Julian	Quarles	Whitmer
DeRossett	Koetje	Raczkowski	Williams
DeVuyst	Kooiman	Reeves	Wojno
DeWeese	Kowall	Richardville	Woodward
Drolet	Kuipers	Richner	Zelenko
Ehardt	LaSata		

Nays—0

In The Chair: Julian

The House agreed to the title as amended.

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

Third Reading of Bills**Senate Bill No. 1324, entitled**

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 806 (MCL 257.806), as amended by 2001 PA 268.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 950**Yeas—74**

Adamini	George	Lipsey	Richner
Allen	Gielegem	Lockwood	Schauer
Bernero	Gilbert	Mans	Scranton
Birkholz	Godchaux	Mead	Shackleton
Bisbee	Hager	Meyer	Shulman
Bishop	Hansen	Middaugh	Spade
Bovin	Hardman	Minore	Stamas
Bradstreet	Howell	Mortimer	Stewart
Brown, C.	Hummel	Murphy	Switalski
Brown, R.	Jacobs	Newell	Tabor
Callahan	Jamnack	Palmer	Van Woerkom
Cassis	Jelinek	Pappageorge	Vander Veen
Caul	Johnson, Rick	Patterson	Vear
Clarke, H.	Julian	Pestka	Voorhees
DeRossett	Koetje	Pumford	Waters
DeVuyst	Kolb	Raczkowski	Whitmer
DeWeese	Koosman	Reeves	Woodward
Ehardt	Kowall	Richardville	Zelenko
Faunce	LaSata		

Nays—25

Anderson	Garza	McConico	Rivet
Basham	Gosselin	Neumann	Rocca
Bogardus	Hale	O'Neil	Sheltrown
Brown, B.	Hart	Phillips	Vander Roest
Clark, I.	Johnson, Ruth	Plakas	Williams
Daniels	Kuipers	Rison	Wojno
Drolet			

In The Chair: Julian

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

"An act to provide for the registration, titling, sale, transfer, and regulation of certain vehicles operated upon the public highways of this state or any other place open to the general public or generally accessible to motor vehicles and distressed vehicles; to provide for the licensing of dealers; to provide for the examination, licensing, and control of operators and chauffeurs; to provide for the giving of proof of financial responsibility and security by owners and operators of vehicles; to provide for the imposition, levy, and collection of specific taxes on vehicles, and the levy and collection of sales and use taxes, license fees, and permit fees; to provide for the regulation and use of streets and highways; to create certain funds; to provide penalties and sanctions for a violation of this act; to provide for civil liability of owners and operators of vehicles and service of process on residents and nonresidents; to provide for the

levy of certain assessments; to provide for the enforcement of this act; to provide for the creation of and to prescribe the powers and duties of certain state and local agencies; to impose liability upon the state or local agencies; to repeal all other acts or parts of acts inconsistent with this act or contrary to this act; and to repeal certain parts of this act on a specific date.”

The House agreed to the full title.

Rep. Richardville moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

Second Reading of Bills

Senate Bill No. 1370, entitled

A bill to amend 1937 PA 94, entitled “Use tax act,” by amending sections 2 and 3 (MCL 205.92 and 205.93), section 2 as amended by 2000 PA 391 and section 3 as amended by 2002 PA 110, and by adding section 6a; and to repeal acts and parts of acts.

The bill was read a second time.

Rep. Vear moved to substitute (H-1) the bill.

The motion prevailed and the substitute (H-1) was adopted, a majority of the members serving voting therefor.

Rep. Richardville moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Rep. Richardville moved that the bill be placed on its immediate passage.

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

By unanimous consent the House returned to the order of

Third Reading of Bills

Senate Bill No. 1370, entitled

A bill to amend 1937 PA 94, entitled “Use tax act,” by amending sections 2 and 3 (MCL 205.92 and 205.93), section 2 as amended by 2000 PA 391 and section 3 as amended by 2002 PA 110, and by adding section 6a; and to repeal acts and parts of acts.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 951

Yeas—73

Allen	Gilbert	LaSata	Richner
Bernero	Godchaux	Lockwood	Rison
Birkholz	Gosselin	Mans	Rocca
Bisbee	Hager	Mead	Schauer
Bishop	Hansen	Meyer	Scranton
Bovin	Hart	Middaugh	Shackleton
Bradstreet	Howell	Minore	Shulman
Brown, B.	Hummel	Mortimer	Spade
Brown, C.	Jamnack	Neumann	Stewart
Brown, R.	Jelinek	Newell	Tabor
Cassis	Johnson, Rick	O’Neil	Van Woerkom
Clarke, H.	Johnson, Ruth	Palmer	Vander Roest
DeRossett	Julian	Pappageorge	Vander Veen
DeVuyst	Koetje	Patterson	Vear
DeWeese	Kolb	Pestka	Voorhees
Drolet	Kooiman	Pumford	Waters
Ehardt	Kowall	Raczkowski	Woodward
Faunce	Kuipers	Richardville	Zelenko
George			

Nays—29

Adamini	Dennis	McConico	Sheltrown
Anderson	Garza	Murphy	Stallworth
Basham	Gielegem	Phillips	Stamas

Bogardus	Hale	Plakas	Switalski
Callahan	Hardman	Quarles	Whitmer
Caul	Jacobs	Reeves	Williams
Clark, I.	Lipsey	Rivet	Wojno
Daniels			

In The Chair: Julian

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

“An act to provide for the levy, assessment and collection of a specific excise tax on the storage, use or consumption in this state of tangible personal property and certain services; to appropriate the proceeds thereof; and to prescribe penalties for violations of the provisions of this act.”.

The House agreed to the full title.

Rep. Richardville moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

Second Reading of Bills

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 second time.

Rep. Richardville moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Rep. Richardville moved that the bill be placed on its immediate passage.

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

By unanimous consent the House returned to the order of

Third Reading of Bills

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.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 952

Yeas—101

Adamini	Faunce	LaSata	Richner
Allen	Frank	Lipsey	Rison
Anderson	Garza	Lockwood	Rivet
Basham	George	Mans	Rocca
Bernero	Gielegem	McConico	Schauer
Birkholz	Gilbert	Mead	Scranton
Bisbee	Godchaux	Meyer	Shackleton
Bishop	Gosselin	Middaugh	Shulman
Bogardus	Hager	Minore	Spade
Bovin	Hale	Mortimer	Stallworth
Bradstreet	Hansen	Murphy	Stamas
Brown, B.	Hardman	Neumann	Stewart
Brown, C.	Hart	Newell	Switalski
Brown, R.	Howell	O’Neil	Tabor
Callahan	Jacobs	Palmer	Van Woerkom
Cassis	Jamnick	Pappageorge	Vander Roest
Caul	Jelinek	Patterson	Vander Veen

Bishop	Gosselin	Mead	Shackleton
Bradstreet	Hager	Meyer	Shulman
Brown, C.	Hart	Middaugh	Stamas
Cassis	Howell	Mortimer	Stewart
Caul	Hummel	Newell	Tabor
DeRossett	Jelinek	Palmer	Van Woerkom
DeVuyst	Johnson, Rick	Pappageorge	Vander Roest
DeWeese	Johnson, Ruth	Patterson	Vander Veen
Drolet	Julian	Pumford	Vear
Ehardt	Koetje	Rackowski	Voorhees
Faunce	Kooiman	Richardville	

Nays—48

Adamini	Dennis	Mans	Schauer
Anderson	Frank	McConico	Sheltrown
Basham	Garza	Minore	Spade
Bernero	Gielegem	Murphy	Stallworth
Bogardus	Hale	Neumann	Switalski
Bovin	Hansen	O'Neil	Thomas
Brown, B.	Hardman	Pestka	Waters
Brown, R.	Jacobs	Phillips	Whitmer
Callahan	Jamnack	Plakas	Williams
Clark, I.	Kolb	Quarles	Wojno
Clarke, H.	Lipsey	Reeves	Woodward
Daniels	Lockwood	Rison	Zelenko

In The Chair: Julian

Rep. Richardville moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.

Reps. Murphy, Clarke, Bogardus, Callahan, Waters, Clark, Jamnick, Minore, Hardman, Williams, Wojno, Kolb, Anderson, Plakas, Phillips, Dennis, Basham, Hale and Jacobs, having reserved the right to explain their nay vote, made the following statement:

“Mr. Speaker and members of the House:

I voted no on the conference report to Senate Bill 1101, the Department of Community Health FY 2003 budget, because:

- The conference report includes dramatic reductions to health prevention programs by cutting the Healthy Michigan Fund in half. This \$17.2 million cut strips funding for such programs as immunization programs for children and violence prevention programs in addition to reducing the funds available for the African-American Health Initiative and obesity education programs. We cannot begin to address the healthcare crisis facing our state when we continue to cut programs that increase health awareness and diagnosis of preventable diseases at the earliest stages.
- The conference report failed to include funding for adolescent mental health services and strips non-Medicaid funding from Community Mental Health boards. This budget continues to underfund our mental health system at a time when the need is increasing in our communities.

I also voted no because:

- This state is facing a \$480 million deficit for the current 2002 fiscal year and over \$350 million for next fiscal year, 2003. As it stands right now, a number of revenues that contribute substantially to the state's General Fund are down a full percent from where they were a year ago.

- Unfortunately, the Governor and the Republican Legislature still cannot recommend actions to deal with the state's structural deficit. Until we receive a clearer indication on where our revenues are heading and how the Republican Legislative Leadership intends to deal with the state's structural deficit, I cannot in good conscience vote to make cuts in essential programs."

Rep. Spade, having reserved the right to explain his nay vote, made the following statement:

"Mr. Speaker and members of the House:

I voted no on the conference report to Senate Bill 1101, the Department of Community Health FY 2003 budget, because:

- The conference report includes dramatic reductions to health prevention programs by cutting the Healthy Michigan Fund in half. This \$17.2 million cut strips funding for such programs as immunization programs for children and violence prevention programs in addition to reducing the funds available for the African-American Health Initiative and obesity education programs. We cannot begin to address the healthcare crisis facing our state when we continue to cut programs that increase health awareness and diagnosis of preventable diseases at the earliest stages.
- The conference report failed to include funding for adolescent mental health services and strips non-Medicaid funding from Community Mental Health boards. This budget continues to underfund our mental health system at a time when the need is increasing in our communities.
- The conference report also significantly reduced funding for smoking & pregnancy prevention programs and eliminates the Rural Health Initiative.

Although the possibility existed for funding to be restored for at least some of these areas, at the time of the vote on this conference report, there was no such mechanism in place."

Rep. Zelenko, having reserved the right to explain her nay vote, made the following statement:

"Mr. Speaker and members of the House:

I voted no on the conference report to Senate Bill 1101, the Department of Community Health FY 2003 budget, because:

- The conference report includes dramatic reductions to health prevention programs by cutting the Healthy Michigan Fund in half. This \$17.2 million cut strips funding for such programs as immunization programs for children and violence prevention programs in addition to reducing the funds available for the African-American Health Initiative and obesity education programs. We cannot begin to address the healthcare crisis facing our state when we continue to cut programs that increase health awareness and diagnosis of preventable diseases at the earliest stages.
- The conference report failed to include funding for adolescent mental health services and strips non-Medicaid funding from Community Mental Health boards. This budget continues to underfund our mental health system at a time when the need is increasing in our communities.

I also voted no because:

- This state is facing a \$480 million deficit for the current 2002 fiscal year and over \$350 million for next fiscal year, 2003. As it stands right now, a number of revenues that contribute substantially to the state's General Fund are down a full percent from where they were a year ago."

The Speaker laid before the House the conference report relative to

Senate Bill No. 1106, entitled

A bill to make appropriations for the department of natural resources for the fiscal year ending September 30, 2003; 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 conference report was reported by the conference committee on June 18, consideration of which, under the rules, was postponed until today.)

(For conference report, see House Journal No. 56, p. 2091.)

The question being on the adoption of the conference report,

The conference report was adopted, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 954

Yeas—67

Allen	Ehardt	Kowall	Richner
Anderson	Faunce	Kuipers	Rocca
Basham	George	LaSata	Schauer

Birkholz	Gilbert	Lockwood	Scranton
Bisbee	Godchaux	Mans	Shackleton
Bishop	Gosselin	Mead	Shulman
Bovin	Hager	Meyer	Spade
Bradstreet	Hart	Middaugh	Stamas
Brown, B.	Howell	Mortimer	Stewart
Brown, C.	Hummel	Newell	Tabor
Brown, R.	Jamnick	Palmer	Van Woerkom
Cassis	Jelinek	Pappageorge	Vander Roest
Caul	Johnson, Rick	Patterson	Vander Veen
DeRossett	Johnson, Ruth	Pestka	Vear
DeVuyst	Julian	Pumford	Voorhees
DeWeese	Koetje	Raczkowski	Woodward
Drolet	Kooiman	Richardville	

Nays—37

Adamini	Gielegem	Murphy	Sheltrown
Bernero	Hale	Neumann	Stallworth
Bogardus	Hansen	O'Neil	Switalski
Callahan	Hardman	Phillips	Thomas
Clark, I.	Jacobs	Plakas	Waters
Clarke, H.	Kolb	Quarles	Whitmer
Daniels	Lipsey	Reeves	Williams
Dennis	McConico	Rison	Wojno
Frank	Minore	Rivet	Zelenko
Garza			

In The Chair: Julian

Rep. Richardville moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.

Reps. Phillips, Dennis, Kolb, Clark, Hale, Minore, Adamini, Plakas, Lipsey, Waters, Callahan, Murphy, Bogardus, Clarke, Hardman, Jacobs and Williams having reserved the right to explain their nay vote, made the following statement:

“Mr. Speaker and members of the House:

I voted no on Senate Bill 1106 the Department of Natural Resources Budget because:

- This state is facing a \$480 million deficit for the current 2002 fiscal year and over \$350 million for next fiscal year, 2003. As it stands right now, a number of revenues that contribute substantially to the state’s General Fund are down a full percent from where they were a year ago.
- Unfortunately, the Governor and the Republican Legislature still cannot recommend actions to deal with the state’s structural deficit. Until we receive a clearer indication on where our revenues are heading and how the Republican Legislative Leadership intends to deal with the state’s structural deficit, I cannot in good conscience vote to make cuts in essential programs.”

Rep. Zelenko, having reserved the right to explain her nay vote, made the following statement:

“Mr. Speaker and members of the House:

I voted no on Senate Bill 1106 the Department of Natural Resources Budget because:

- This state is facing a \$480 million deficit for the current 2002 fiscal year and over \$350 million for next fiscal year, 2003. As it stands right now, a number of revenues that contribute substantially to the state’s General Fund are down a full percent from where they were a year ago.”

Communications from State Officers

The following communication from the Auditor General was received and read:

June 14, 2002

Enclosed is a copy of the following audit report and/or executive digest:
 Performance Audit of the
 Division of HIV/AIDS—STD
 Community Public Health Agency
 Department of Community Health
 June 2002

Sincerely,
 Thomas H. McTavish, C.P.A.
 Auditor General

The communication was referred to the Clerk and the accompanying report referred to the Committee on House Oversight and Operations.

By unanimous consent the House returned to the order of
Announcement by the Clerk of Printing and Enrollment

The Clerk announced that the following Senate bill had been received on Wednesday, June 19:
Senate Bill No. 616

By unanimous consent the House returned to the order of
Messages from the Senate

House Bill No. 5103, entitled

A bill to amend 1978 PA 368, entitled “An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates,” by amending sections 16105, 16106, 16108, 16128, 16163, 16174, 16186, 16261, 16323, 16608, and 20161 (MCL 333.16105, 333.16106, 333.16108, 333.16128, 333.16163, 333.16174, 333.16186, 333.16261, 333.16323, 333.16608, and 333.20161), section 16106 as amended by 1997 PA 153, sections 16108 and 16186 as amended and section 16323 as added by 1993 PA 80, section 16174 as amended by 1998 PA 227, section 16608 as amended by 1990 PA 216, and section 20161 as amended by 2002 PA 303.

The Senate has concurred in the House amendments to the Senate substitute (S-1).

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

House Bill No. 4373, entitled

A bill to make, supplement, and adjust appropriations for capital outlay and certain state departments and agencies for the fiscal year ending September 30, 2002; to implement the appropriations within the budgetary process; to authorize certain land transfers; to provide for the expenditure of appropriations; and to repeal acts and parts of acts.

The Senate has amended the House substitute (H-4) as follows:

1. Amend page 2, line 2, by striking out “1,022,403,225” and inserting “1,021,747,225”.
2. Amend page 2, line 5, by striking out “1,022,403,225” and inserting “1,021,440,225”.

3. Amend page 2, line 12, by striking out “(67,392,675)” and inserting “(68,048,675)”.
4. Amend page 18, line 20, by striking out “41,406,500” and inserting “41,050,500”.
5. Amend page 18, line 23, by striking out “41,406,500” and inserting “41,050,500”.
6. Amend page 19, line 6, by striking out “15,356,000” and inserting “15,000,000”.
7. Amend page 19, following line 14, by striking out “State emergency relief \$ 356,000”.
8. Amend page 19, line 17, by striking “35,356,000” and inserting “35,000,000”.
9. Amend page 19, line 21, by striking “15,356,000” and inserting “15,000,000”.
10. Amend page 20, line 3, by striking out “9,350,000” and inserting “9,200,000”.
11. Amend page 20, line 7, by striking out “9,350,000” and inserting “9,200,000”.
12. Amend page 20, line 14, by striking out “150,000” and inserting “0”.
13. Amend page 20, line 16, by striking out all of lines 16 and 17.
14. Amend page 20, line 19, by striking “9,350,000” and inserting “9,200,000”.
15. Amend page 20, line 23, by striking “150,000” and inserting “0”.
16. Amend page 22, line 3, by striking out “1,041,625” and inserting “891,625”.
17. Amend page 22, line 6, by striking out “1,041,625” and inserting “891,625”.
18. Amend page 22, line 13, by striking out “456,625” and inserting “306,625”.
19. Amend page 23, line 13, by striking out all of subsection (4).
20. Amend page 28, line 20, by striking out “34,754,600” and inserting “34,753,600”.
21. Amend page 29, line 1, by striking out “34,754,600” and inserting “34,753,600”.
22. Amend page 35, line 11, after “at” by striking out “\$223,897,925.00” and inserting “\$223,241,925.00”.
23. Amend page 44, line 22, by striking out all of section 453.
24. Amend page 45, following line 24, by inserting:

“Sec. 454. The department may implement a program to make increased payments for Medicaid services to hospitals located in geographic areas where the nonfederal share of the Medicaid payment is obtained from local units of government. Any increase in payments specified in this section are contingent upon such payments not exceeding federal Medicaid upper payment limit requirements.”.

The Senate has concurred in the House substitute (H-4) as amended and agreed to the title as amended.

The Speaker announced that pursuant to Rule 45, the bill was laid over one day.

House Bill No. 4599, entitled

A bill to amend 1994 PA 451, entitled “Natural resources and environmental protection act,” (MCL 324.101 to 324.90106) by adding part 172.

The Senate has amended the bill as follows:

1. Amend page 2, line 5, after “FOR” by inserting “EITHER OF THE FOLLOWING:
(A)”.
2. Amend page 2, following line 7, by inserting:
“(B) PHARMACEUTICAL RESEARCH PURPOSES.”.

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

The Speaker announced that pursuant to Rule 45, the bill was laid over one day.

House Bill No. 6071, entitled

A bill to amend 1996 PA 376, entitled “Michigan renaissance zone act,” by amending section 8a (MCL 125.2688a), as amended by 2000 PA 259.

The Senate has substituted (S-1) the bill.

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

The Speaker announced that pursuant to Rule 45, the bill was laid over one day.

House Bill No. 6074, entitled

A bill to amend 1893 PA 206, entitled “The general property tax act,” (MCL 211.1 to 211.157) by adding section 9i.

The Senate has substituted (S-1) the bill.

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

The Speaker announced that pursuant to Rule 45, the bill was laid over one day.

Senate Bill No. 616, entitled

A bill to authorize the state administrative board to convey certain property in Jackson county; to prescribe conditions for the conveyance; and to provide for disposition of the revenue from the conveyance.

The Senate has passed the bill and ordered that it be given immediate effect.

The bill was read a first time by its title and referred to the Committee on Regulatory Reform.

By unanimous consent the House returned to the order of

Motions and Resolutions

Reps. Lipsey, Howell, Richner, Richardville, Wojno, Waters, Vander Veen, DeRossett, Quarles, Stewart, Mead, Drolet, Van Woerkom, Faunce, George, Hager, Voorhees, Ehardt, LaSata, DeVuyst, DeWeese, Koetje, Vander Roest, Anderson, Hale, Raczkowski, Dennis, Rison, Murphy, Schauer, Bovin, Spade, Woodward, Gielegem, Hansen, Sheltroun, Zelenko, Plakas, Bogardus, Jamnick, McConico, Bernero, Lockwood, Clark, Minore, Kolb, Rich Brown, Jacobs and Switalski offered the following resolution:

House Resolution No. 504.

A resolution honoring Harold J. Decker for his outstanding leadership as Interim President and Chief Executive Officer of the American Red Cross.

Whereas, We are pleased to extend our congratulations and commendations to Harold J. Decker for his outstanding leadership, exemplary service, and dedication which he has exhibited as Interim President and Chief Executive Officer of the American Red Cross. Nominated to the post by the Chairman of the Board of Directors and unanimously elected by the Board of Governors, Harold Decker accepted the challenge of his position in October of 2001 during a time of grave national crisis; and

Whereas, A graduate of Kalamazoo College, Harold Decker earned his Juris Doctor degree from the Southwestern University School of Law in Los Angeles, California. A highly decorated Vietnam veteran, Harold Decker is a gentleman of remarkable talent. He has pursued a multifaceted career which has included notable achievements in the world of business with the Pharmacia Corporation as Vice President of Corporate Litigation and Product Stewardship, an accomplished litigator, and as a lecturer at the Thomas M. Cooley Law School. His impressive legal credentials include representation on such varied matters as product liability claims, mass torts, environmental claims, labor and employment disputes, commercial contracts, patent and trademark litigation, antitrust, insurance coverage, Proposition 65, and the Business and Professions Code. This highly respected counselor has been admitted to the bar in Michigan, California, and the District of Columbia as well as five Federal District Courts, three Courts of Appeal, and the U. S. Supreme Court; and

Whereas, Harold J. Decker joined the American Red Cross as Deputy General Counsel in February of 2001 and quickly rose through the ranks becoming Corporate Secretary in May of 2001 and General Counsel in September of 2001. An exceptional leader and humanitarian, Harold J. Decker assumed the daunting responsibility of leading the American Red Cross during a time of critical national need. He has set a standard of excellence in performance and dedication and earned the respect and admiration of those around him; and

Whereas, Harold J. Decker is a native son of Kalamazoo and will be honored at the American Red Cross CEO's Community Reception, Forum, and 2002 Chapter Annual Meeting on June 25, 2002, at Kalamazoo Valley Community College. We proudly add our voices to those of his family, the Kalamazoo community, and members of the American Red Cross organization who will gather to honor Harold J. Decker; now, therefore, be it

Resolved by the House of Representatives, That the members of this legislative body honor Harold J. Decker for his outstanding leadership as Interim President and Chief Executive Officer of the American Red Cross; and be it further

Resolved, That a copy of this resolution be transmitted to Harold J. Decker as evidence of our respect and admiration.

Pending the reference of the resolution to a committee,

Rep. Patterson moved that Rule 77 be suspended and the resolution be considered at this time.

The motion prevailed, 3/5 of the members present voting therefor.

The question being on the adoption of the resolution,

The resolution was adopted.

Reps. Hale, Waters, Vander Veen, DeRossett, Quarles, Hager, LaSata, DeWeese, Anderson, Raczkowski, Dennis, Rison, Murphy, Bovin, Spade, Woodward, Gielegem, Hansen, Zelenko, Williams, Phillips, Plakas, Bogardus, Jamnick, McConico, Lipsey, Bernero, Lockwood, Clark, Minore, Kolb, Rich Brown, Jacobs and Switalski offered the following resolution:

House Resolution No. 505.

A resolution honoring the life of Mother Bama "The Warrior" Jackson.

Well done, good and faithful servant;
 thou hast been faithful over a few things,
 I will make thee ruler over many things:
 enter thou into the joy of thy Lord.

Matthew 25:23

Whereas, It is with deep sadness that we joint the family and many friends in honoring the life of Mother Bama “The Warrior” Jackson. A native of Luverne, Alabama, Mother Bama was born on September 17, 1916. Throughout her entire life, she strived to brighten and touch the lives of everyone around her; and

Whereas, She dedicated her life’s work to showing others as James did, “For as the body without the spirit is dead, so faith without works is dead also.” Her work kept her in her prayer closet on a direct line to the Father; and

Whereas, Since 1948, Mother Bama actively served as a member of the Bethel African Methodist Episcopal Church in Saginaw, Michigan. In that time she held several leadership positions, including Sunday School Superintendent and Founding Member of Bethel Retirees Club. She was also consecrated a Deaconess at the 105th Session of the Michigan Annual Conference on August 17, 1991, at Ebenezer A.M.E. Church in Detroit; and

Whereas, On Saturday, June 15, 2002, Mother Bama Jackson was called home to be with the Lord. She leaves behind a legacy of love; now, therefore, be it

Resolved by the House of Representatives, That the members of this legislative body honor the life of Mother Bama “The Warrior” Jackson; and be it further

Resolved, That copies of this resolution be transmitted to the family of Mother Bama Jackson and placed in the archives of Bethel African Methodist Episcopal Church in Saginaw, Michigan.

The question being on the adoption of the resolution,

The resolution was adopted.

Notices

The Speaker appointed as conferees, on the part of the House of Representatives for **House Bill No. 5467**, Reps. Allen, Godchaux and Thomas.

Quorum Call

Rep. Middaugh questioned the presence of a quorum and moved that the roll be called and printed in the Journal.

The motion prevailed.

The roll was called and the Clerk announced that a quorum was present.

The following is the roll call:

Roll Call No. 955

Yeas—90

Adamini	Ehardt	Kuipers	Richner
Allen	Faunce	LaSata	Rivet
Anderson	Frank	Lockwood	Rocca
Basham	George	Mans	Schauer
Birkholz	Gielegem	Mead	Shackleton
Bisbee	Gilbert	Meyer	Sheltrown
Bishop	Godchaux	Middaugh	Shulman
Bogardus	Gosselin	Minore	Spade
Bovin	Hager	Mortimer	Stamas
Bradstreet	Hansen	Neumann	Stewart
Brown, B.	Hardman	Newell	Switalski
Brown, C.	Hart	O’Neil	Tabor
Brown, R.	Howell	Palmer	Van Woerkom
Cassis	Hummel	Pappageorge	Vander Roest
Caul	Jacobs	Patterson	Vander Veen
Clark, I.	Jamnick	Pestka	Voorhees
Clarke, H.	Jelinek	Phillips	Waters
Daniels	Johnson, Rick	Plakas	Whitmer

Dennis
DeRossett
DeVuyst
DeWeese
Drolet

Johnson, Ruth
Julian
Koetje
Kooiman
Kowall

Pumford
Rackowski
Reeves
Richardville

Williams
Wojno
Woodward
Zelenko

In The Chair: Julian

By unanimous consent the House returned to the order of
Second Reading of Bills

House Bill No. 5296, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by amending section 145c (MCL 750.145c), as amended by 1994 PA 444.

Was read a second time, and the question being on the adoption of the proposed substitute (H-2) previously recommended by the Committee on Criminal Justice,

The substitute (H-2) was not adopted, a majority of the members serving not voting therefor.

Rep. DeRossett moved to substitute (H-3) the bill.

The motion prevailed and the substitute (H-3) was adopted, a majority of the members serving voting therefor.

Rep. Faunce moved to amend the bill as follows:

1. Amend page 9, line 19, after "effect" by striking out the balance of the enacting section and inserting "December 1, 2002."

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

Rep. DeRossett moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

House Bill No. 5297, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 16g of chapter XVII (MCL 777.16g), as amended by 2000 PA 279.

Was read a second time, and the question being on the adoption of the proposed amendment previously recommended by the Committee on Criminal Justice (for amendment, see House Journal No. 26, p. 701),

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

Rep. Bishop moved to substitute (H-1) the bill.

The motion prevailed and the substitute (H-1) was adopted, a majority of the members serving voting therefor.

Rep. Faunce moved to amend the bill as follows:

1. Amend page 3, line 33, after "effect" by striking out the balance of the enacting section and inserting "December 1, 2002."

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

Rep. Bishop moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Rep. Jacobs moved that Reps. Callahan, Hale, Murphy, Rison and Thomas be excused temporarily from today's session.

The motion prevailed.

Rep. Godchaux moved that Rep. Scranton be excused temporarily from today's session.

The motion prevailed.

House Bill No. 5935, entitled

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending section 7u (MCL 211.7u), as amended by 1994 PA 390.

The bill was read a second time.

Rep. Jacobs moved to amend the bill as follows:

1. Amend page 3, following line 15, by inserting:

"(7) A PERSON WHO IS UNEMPLOYED ON THE DATE TAXES LEVIED UNDER THIS ACT ARE DUE SHALL BE GIVEN A 6-MONTH EXTENSION TO PAY PROPERTY TAXES LEVIED UNDER THE STATE EDUCATION TAX ACT, 1993 PA 331, MCL 211.901 TO 211.906, WITHOUT BEING SUBJECT TO PENALTY OR INTEREST." and renumbering the remaining subsection.

The question being on the adoption of the amendment offered by Rep. Jacobs,

Rep. Cassis moved that consideration of the bill be postponed temporarily.

The motion prevailed.

House Bill No. 4035, entitled

A bill to amend 1998 PA 58, entitled "Michigan liquor control code of 1998," by amending section 701 (MCL 436.1701).

Was read a second time, and the question being on the adoption of the proposed substitute (H-1) previously recommended by the Committee on Regulatory Reform,

The substitute (H-1) was adopted, a majority of the members serving voting therefor.

Rep. Faunce moved to amend the bill as follows:

1. Amend page 2, line 10, after "OF" by inserting "NOT MORE THAN".

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

Rep. Faunce moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

House Bill No. 5858, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by amending sections 503 and 504 (MCL 750.503 and 750.504).

Was read a second time, and the question being on the adoption of the proposed amendment previously recommended by the Committee on Criminal Justice (for amendment, see House Journal No. 47, p. 1611),

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

Rep. Faunce moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

House Bill No. 6079, entitled

A bill to amend 1931 PA 328, entitled "Michigan penal code," by amending sections 16, 25, 33, 34, 44, 45, 50c, 57, 60, 64, 90c, 113, 114, 123, 125, 138, 140, 149, 150, 151, 153, 172, 173, 183, 184, 191, 192, 197a, 215, 217, 217c, 219, 220, 240, 263, 264, 287, 288, 294, 295, 298, 301, 302, 304, 305, 306, 314, 330, 331, 335, 335a, 354, 359, 368, 371, 375, 389, 393, 404, 407, 408, 410, 411a, 411d, 414, 428, 429, 430, 454, 466, 478, 482, 490a, 492, 502b, 508, 509, 519, 524, 537, 538, 540e, 540f, and 561 (MCL 750.16, 750.25, 750.33, 750.34, 750.44, 750.45, 750.50c, 750.57, 750.60, 750.64, 750.90c, 750.113, 750.114, 750.123, 750.125, 750.138, 750.140, 750.149, 750.150, 750.151, 750.153, 750.172, 750.173, 750.183, 750.184, 750.191, 750.192, 750.197a, 750.215, 750.217, 750.217c, 750.219, 750.220, 750.240, 750.263, 750.264, 750.287, 750.288, 750.294, 750.295, 750.298, 750.301, 750.302, 750.304, 750.305, 750.306, 750.314, 750.330, 750.331, 750.335, 750.335a, 750.354, 750.359, 750.368, 750.371, 750.375, 750.389, 750.393, 750.404, 750.407, 750.408, 750.410, 750.411a, 750.411d, 750.414, 750.428, 750.429, 750.430, 750.454, 750.466, 750.478, 750.482, 750.490a, 750.492, 750.502b, 750.508, 750.509, 750.519, 750.524, 750.537, 750.538, 750.540e, 750.540f, and 750.561), section 50c as added by 1994 PA 336, section 90c as amended by 2001 PA 1, section 125 as amended by 1999 PA 251, sections 215, 371, 524, 537, and 538 as amended by 1991 PA 145, section 217c as added and section 368 as amended by 1998 PA 360, sections 263 and 264 as amended by 1997 PA 155, section 302 as amended by 1989 PA 85, section 375 as amended by 1996 PA 206, section 411a as amended by 2000 PA 370, section 411d as added by 1980 PA 490, section 502b as amended by 1991 PA 44, section 508 as amended by 1990 PA 77, section 540e as amended by 1988 PA 395, and section 540f as added by 1996 PA 333.

Was read a second time, and the question being on the adoption of the proposed amendments previously recommended by the Committee on Criminal Justice (for amendments, see House Journal No. 47, p. 1611),

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

Rep. Koetje moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

House Bill No. 6095, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending sections 7214, 7401, 7402, 7403, and 7404 (MCL 333.7214, 333.7401, 333.7402, 333.7403, and 333.7404), section 7214 as amended by 1982 PA 352, sections 7401 and 7403 as amended by 2001 PA 236, and sections 7402 and 7404 as amended by 2000 PA 314.

Was read a second time, and the question being on the adoption of the proposed substitute (H-2) previously recommended by the Committee on Criminal Justice,

The substitute (H-2) was adopted, a majority of the members serving voting therefor.

Rep. Faunce moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

House Bill No. 6096, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 13m of chapter XVII (MCL 777.13m), as added by 2002 PA 30.

Was read a second time, and the question being on the adoption of the proposed amendment previously recommended by the Committee on Criminal Justice (for amendment, see House Journal No. 53, p. 1862),

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

Rep. Meyer moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

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.

Was read a second time, and the question being on the adoption of the proposed amendments previously recommended by the Committee on Criminal Justice (for amendments, see House Journal No. 53, p. 1862),

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

Rep. Faunce moved to amend the bill as follows:

1. Amend page 3, line 15, after "WARRANT," by inserting "OR ON AUGUST 1, 2002, WHICHEVER IS LATER,".
 2. Amend page 3, line 18, after "ISSUED," by inserting "OR BEFORE AUGUST 1, 2002, WHICHEVER IS LATER,".
- The motion prevailed and the amendments were adopted, a majority of the members serving voting therefor.

Rep. Drolet moved to amend the bill as follows:

1. Amend page 3, line 23, after "ISSUED." by inserting "AN INITIAL SUPPRESSION ORDER ISSUED UNDER THIS SUBSECTION EXPIRES ON THE FIFTY-SIXTH DAY AFTER THE ORDER IS ISSUED. A SECOND OR SUBSEQUENT SUPPRESSION ORDER MAY BE OBTAINED IN THE SAME MANNER AS THE INITIAL SUPPRESSION ORDER AND SHALL EXPIRE ON A DATE SPECIFIED IN THE ORDER.".

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

Rep. Richardville moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

House Bill No. 5734, entitled

A bill to amend 1980 PA 119, entitled "Motor carrier fuel tax act," by amending sections 1, 2, and 4 (MCL 207.211, 207.212, and 207.214), sections 1 and 4 as amended by 2000 PA 406 and section 2 as amended by 1996 PA 584.

Was read a second time, and the question being on the adoption of the proposed substitute (H-1) previously recommended by the Committee on Transportation,

Rep. Richardville moved to postpone consideration of the bill temporarily.

The motion prevailed.

Senate Bill No. 1266, 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 18d (MCL 247.668d).

The bill was read a second time.

Rep. Richardville moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

House Bill No. 6202, entitled

A bill to amend 1973 PA 116, entitled "An act to provide for the protection of children through the licensing and regulation of child care organizations; to provide for the establishment of standards of care for child care organizations; to prescribe powers and duties of certain departments of this state and adoption facilitators; to provide penalties; and to repeal acts and parts of acts," (MCL 722.111 to 722.128) by adding section 9.

Was read a second time, and the question being on the adoption of the proposed substitute (H-2) previously recommended by the Committee on Family and Children Services,

The substitute (H-2) was adopted, a majority of the members serving voting therefor.

Rep. Tabor moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

House Bill No. 6203, entitled

A bill to amend 1973 PA 116, entitled "An act to provide for the protection of children through the licensing and regulation of child care organizations; to provide for the establishment of standards of care for child care organizations; to prescribe powers and duties of certain departments of this state and adoption facilitators; to provide penalties; and to repeal acts and parts of acts," by amending section 1 (MCL 722.111), as amended by 1994 PA 205.

Was read a second time, and the question being on the adoption of the proposed substitute (H-2) previously recommended by the Committee on Family and Children Services,

The substitute (H-2) was adopted, a majority of the members serving voting therefor.

Rep. Bob Brown moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

House Bill No. 6204, entitled

A bill to amend 1975 PA 238, entitled "Child protection law," (MCL 722.621 to 722.638) by adding section 7j.

Was read a second time, and the question being on the adoption of the proposed substitute (H-1) previously recommended by the Committee on Family and Children Services,

The substitute (H-1) was adopted, a majority of the members serving voting therefor.

Rep. Woronchak moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

House Bill No. 6205, entitled

A bill to amend 1973 PA 116, entitled "An act to provide for the protection of children through the licensing and regulation of child care organizations; to provide for the establishment of standards of care for child care organizations; to prescribe powers and duties of certain departments of this state and adoption facilitators; to provide penalties; and to repeal acts and parts of acts," (MCL 722.111 to 722.128) by adding section 3e.

The bill was read a second time.

Rep. Garza moved that the bill be placed on the order of Third Reading of Bills.
The motion prevailed.

By unanimous consent the House returned to the order of
Third Reading of Bills

House Bill No. 5947, 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.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 956

Yeas—95

Adamini	Drolet	Kooiman	Richardville
Allen	Ehardt	Kowall	Richner
Anderson	Faunce	Kuipers	Rivet
Basham	Frank	LaSata	Rocca
Bernero	Garza	Lipsey	Schauer
Birkholz	George	Lockwood	Shackleton
Bisbee	Gielegem	Mans	Sheltrown
Bishop	Gilbert	Mead	Shulman
Bogardus	Godchaux	Meyer	Spade
Bovin	Gosselin	Middaugh	Stamas
Bradstreet	Hager	Minore	Stewart
Brown, B.	Hale	Mortimer	Switalski
Brown, C.	Hansen	Neumann	Tabor
Brown, R.	Hardman	Newell	Van Woerkom
Callahan	Hart	O’Neil	Vander Roest
Cassis	Howell	Palmer	Vander Veen
Caul	Hummel	Pappageorge	Vear
Clark, I.	Jacobs	Patterson	Voorhees
Clarke, H.	Jamnick	Pestka	Whitmer
Daniels	Jelinek	Phillips	Williams
Dennis	Johnson, Rick	Pumford	Wojno
DeRossett	Johnson, Ruth	Quarles	Woodward
DeVuyst	Julian	Raczkowski	Zelenko
DeWeese	Koetje	Reeves	

Nays—0

In The Chair: Julian

The House agreed to the title of the bill.
Rep. Richardville moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.

House Bill No. 5984, entitled

A bill to amend 1975 PA 238, entitled “Child protection law,” by amending sections 2, 3, and 11 (MCL 722.622, 722.623, and 722.631), section 2 as amended by 2000 PA 45 and section 3 as amended by 2002 PA 10.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 957**Yeas—101**

Adamini	Faunce	Kuipers	Richner
Allen	Frank	LaSata	Rivet
Anderson	Garza	Lipsey	Rocca
Basham	George	Lockwood	Schauer
Bernero	Gielegem	Mans	Shackleton
Birkholz	Gilbert	McConico	Sheltrown
Bisbee	Godchaux	Mead	Shulman
Bishop	Gosselin	Meyer	Spade
Bogardus	Hager	Middaugh	Stallworth
Bovin	Hale	Minore	Stamas
Bradstreet	Hansen	Mortimer	Stewart
Brown, B.	Hardman	Neumann	Switalski
Brown, C.	Hart	Newell	Tabor
Brown, R.	Howell	O'Neil	Thomas
Callahan	Hummel	Palmer	Van Woerkom
Cassis	Jacobs	Pappageorge	Vander Roest
Caul	Jamnick	Patterson	Vander Veen
Clark, I.	Jelinek	Pestka	Vear
Clarke, H.	Johnson, Rick	Phillips	Voorhees
Daniels	Johnson, Ruth	Plakas	Waters
Dennis	Julian	Pumford	Whitmer
DeRossett	Koetje	Quarles	Williams
DeVuyst	Kolb	Raczkowski	Wojno
DeWeese	Kooiman	Reeves	Woodward
Drolet	Kowall	Richardville	Zelenko
Ehardt			

Nays—0

In The Chair: Julian

The House agreed to the title of the bill.

Rep. Richardville moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

Rep. Allen moved that Rep. Rick Johnson be excused temporarily from today's session.

The motion prevailed.

Rep. Frank moved that Rep. Thomas be excused temporarily from today's session.

The motion prevailed.

By unanimous consent the House returned to the order of

Messages from the Senate

The Speaker laid before the House

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 bill was received from the Senate on June 5, with substitute (S-3), title amendment and immediate effect given by the Senate, consideration of which, under the rules, was postponed until June 13, see House Journal No. 54, p. 1920.)

The question being on concurring in the substitute (S-3) made to the bill by the Senate,

The substitute (S-3) was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 958**Yeas—96**

Adamini	Ehardt	Kowall	Richner
Allen	Faunce	Kuipers	Rivet
Anderson	Frank	LaSata	Rocca
Basham	Garza	Lipsey	Schauer
Bernero	George	Lockwood	Shackleton
Birkholz	Gielegem	Mans	Sheltrown
Bisbee	Gilbert	Mead	Shulman
Bishop	Godchaux	Meyer	Spade
Bogardus	Gosselin	Middaugh	Stallworth
Bovin	Hager	Minore	Stamas
Bradstreet	Hale	Mortimer	Stewart
Brown, C.	Hansen	Neumann	Switalski
Brown, R.	Hardman	Newell	Tabor
Callahan	Hart	O'Neil	Van Woerkom
Cassis	Howell	Palmer	Vander Roest
Caul	Hummel	Pappageorge	Vander Veen
Clark, I.	Jacobs	Patterson	Vear
Clarke, H.	Jamnick	Pestka	Voorhees
Daniels	Jelinek	Phillips	Waters
Dennis	Johnson, Ruth	Plakas	Whitmer
DeRossett	Julian	Pumford	Williams
DeVuyst	Koetje	Raczkowski	Wojno
DeWeese	Kolb	Reeves	Woodward
Drolet	Kooiman	Richardville	Zelenko

Nays—0

In The Chair: Julian

The House agreed to the title as amended.

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

The Speaker laid before the House

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.

(The bill was received from the Senate on June 18, with substitute (S-2), title amendment and immediate effect given by the Senate, consideration of which, under the rules, was postponed until today, see House Journal No. 56, p. 2104.)

The question being on concurring in the substitute (S-2) made to the bill by the Senate,

The substitute (S-2) was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 959

Yeas—97

Adamini	Faunce	Kuipers	Richardville
Allen	Frank	LaSata	Richner
Anderson	Garza	Lipsey	Rivet
Basham	George	Lockwood	Rocca
Bernero	Gielegem	Mans	Schauer
Birkholz	Gilbert	McConico	Shackleton
Bisbee	Godchaux	Mead	Sheltrown
Bishop	Gosselin	Meyer	Shulman
Bogardus	Hager	Middaugh	Spade
Bovin	Hale	Minore	Stamas
Bradstreet	Hansen	Mortimer	Stewart
Brown, B.	Hardman	Neumann	Switalski
Brown, C.	Hart	Newell	Tabor
Brown, R.	Howell	O'Neil	Van Woerkom
Callahan	Hummel	Palmer	Vander Roest
Cassis	Jacobs	Pappageorge	Vander Veen
Caul	Jamnick	Patterson	Vear
Clark, I.	Jelinek	Pestka	Voorhees
Clarke, H.	Johnson, Ruth	Phillips	Waters
Daniels	Julian	Plakas	Whitmer
DeRossett	Koetje	Pumford	Williams
DeVuyst	Kolb	Quarles	Wojno
DeWeese	Kooiman	Raczkowski	Woodward
Drolet	Kowall	Reeves	Zelenko
Ehardt			

Nays—0

In The Chair: Julian

The House agreed to the title as amended.

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

The Speaker laid before the House
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.

(The bill was received from the Senate on June 18, with substitute (S-1) and immediate effect given by the Senate, consideration of which, under the rules, was postponed until today, see House Journal No. 56, p. 2105.)

The question being on concurring in the substitute (S-1) made to the bill by the Senate,

The substitute (S-1) was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 960

Yeas—99

Adamini	Ehardt	Kuipers	Richardville
Allen	Faunce	LaSata	Richner
Anderson	Frank	Lipsey	Rivet
Basham	Garza	Lockwood	Rocca
Bernero	George	Mans	Schauer
Birkholz	Gielegem	McConico	Shackleton
Bisbee	Gilbert	Mead	Sheltrown
Bishop	Godchaux	Meyer	Shulman
Bogardus	Gosselin	Middaugh	Spade
Bovin	Hager	Minore	Stamas
Bradstreet	Hale	Mortimer	Stewart
Brown, B.	Hansen	Murphy	Switalski
Brown, C.	Hardman	Neumann	Tabor
Brown, R.	Hart	Newell	Van Woerkom
Callahan	Howell	O'Neil	Vander Roest
Cassis	Hummel	Palmer	Vander Veen
Caul	Jacobs	Pappageorge	Vear
Clark, I.	Jamnick	Patterson	Voorhees
Clarke, H.	Jelinek	Pestka	Waters
Daniels	Johnson, Ruth	Phillips	Whitmer
Dennis	Julian	Plakas	Williams
DeRossett	Koetje	Pumford	Wojno

DeVuyst
DeWeese
Drolet

Kolb
Kooiman
Kowall

Quarles
Raczkowski
Reeves

Woodward
Zelenko

Nays—0

In The Chair: Julian

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

Third Reading of Bills

House Bill No. 6113, entitled

A bill to amend 1927 PA 372, entitled “An act to regulate and license the selling, purchasing, possessing, and carrying of certain firearms and gas ejecting devices; to prohibit the buying, selling, or carrying of certain firearms and gas ejecting devices without a license or other authorization; to provide for the forfeiture of firearms under certain circumstances; to provide for penalties and remedies; to provide immunity from civil liability under certain circumstances; to prescribe the powers and duties of certain state and local agencies; to prohibit certain conduct against individuals who apply for or receive a license to carry a concealed pistol; to make appropriations; to prescribe certain conditions for the appropriations; and to repeal all acts and parts of acts inconsistent with this act,” by amending section 5k (MCL 28.425k), as added by 2000 PA 381.

(The bill was read a third time and postponed for the day on May 28, see House Journal No. 50, p. 1758.)

The question being on the passage of the bill,

Reps. Adamini and Bradstreet moved to amend the bill as follows:

1. Amend page 1, line 3, after “section.” by striking out the balance of the subsection.
2. Amend page 2, line 4, after “section.” by striking out “A person” and inserting “AN INDIVIDUAL”.
3. Amend page 2, line 7, after the first “the” by striking out “person” and inserting “INDIVIDUAL”.
4. Amend page 2, line 18, after “the” by striking out “person” and inserting “INDIVIDUAL”.
5. Amend page 3, line 1, after “the” by striking out “person” and inserting “INDIVIDUAL”.
6. Amend page 3, line 12, after “subdivision.” by inserting “THIS SUBDIVISION DOES NOT APPLY TO AN INDIVIDUAL LISTED IN SECTION 12A(A) TO (E) IF EITHER OF THE FOLLOWING APPLY:
(A) THAT INDIVIDUAL IS NOT IN UNIFORM AND IS ON DUTY.
(B) THAT INDIVIDUAL IS NOT IN UNIFORM AND IS REQUIRED AT THE TIME TO CARRY A PISTOL UNDER THE TERMS OF HIS OR HER EMPLOYMENT WITH AN AGENCY DESCRIBED IN SECTION 12A(A) TO (E).”.
7. Amend page 3, line 14, after “pistol” by inserting “OR LISTED IN SECTION 12A(A) TO (F)”.
8. Amend page 4, line 20, after “If” by striking out “a person” and inserting “AN INDIVIDUAL”.
9. Amend page 4, line 24, after “pistol” by inserting “OR, FOR AN INDIVIDUAL LISTED IN SECTION 12A(A) TO (E), TO THE APPROPRIATE AGENCY THAT EMPLOYS THAT INDIVIDUAL”.
10. Amend page 4, line 25, after “If” by striking out “a person” and inserting “AN INDIVIDUAL”.
11. Amend page 5, line 3, after “pistol” by inserting “OR, FOR AN INDIVIDUAL LISTED IN SECTION 12A(A) TO (E), TO THE APPROPRIATE AGENCY THAT EMPLOYS THAT INDIVIDUAL”.
12. Amend page 5, following line 3, by inserting:
“(9) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION 2(C), THIS SECTION APPLIES TO AN INDIVIDUAL LISTED IN SECTION 12A(A) TO (F).” and renumbering the remaining subsection.

The motion was seconded and the amendments were adopted, a majority of the members serving voting therefor.

The question being on the passage of the bill,

The bill was then passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 961

Yeas—82

Adamini
Allen

George
Gielegem

Meyer
Middaugh

Shackleton
Sheltrown

Bernero	Gilbert	Minore	Shulman
Bisbee	Gosselin	Mortimer	Spade
Bishop	Hager	Murphy	Stallworth
Bogardus	Hardman	Neumann	Stamas
Bovin	Hart	Newell	Stewart
Bradstreet	Howell	O'Neil	Switalski
Brown, B.	Hummel	Palmer	Tabor
Brown, C.	Jelinek	Pappageorge	Van Woerkom
Brown, R.	Julian	Patterson	Vander Roest
Callahan	Koetje	Pestka	Vander Veen
Cassis	Kooiman	Phillips	Vear
Caul	Kowall	Plakas	Voorhees
Dennis	Kuipers	Pumford	Waters
DeRossett	LaSata	Rackowski	Whitmer
DeVuyst	Lipsey	Reeves	Williams
DeWeese	Lockwood	Richardville	Wojno
Drolet	Mans	Rocca	Woodward
Ehardt	McConico	Schauer	Zelenko
Faunce	Mead		

Nays—10

Anderson	Clark, I.	Hansen	Jamnick
Basham	Garza	Jacobs	Kolb
Birkholz	Hale		

In The Chair: Julian

The House agreed to the title of the bill.

Rep. Richardville moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

Reps. Allen, Bishop, Callahan, Cassis, DeRossett, DeVuyst, DeWeese, Ehardt, Hager, Jelinek, Ruth Johnson, Julian, Kooiman, Kowall, Kuipers, Mead, Mortimer, Newell, Pappageorge, Patterson, Pumford, Richardville, Richner, Rocca, Schauer, Shulman, Stamas, Stewart, Vander Veen and Voorhees were named co-sponsors of the bill.

Second Reading of Bills

House Bill No. 5747, entitled

A bill to amend 1984 PA 431, entitled "The management and budget act," by amending section 267 (MCL 18.1267), as amended by 1999 PA 8.

The bill was read a second time.

Rep. DeWeese moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Senate Bill No. 1302, entitled

A bill to amend 2001 PA 34, entitled "Revised municipal finance act," by amending sections 105, 303, 319, 517, 701, and 809 (MCL 141.2105, 141.2303, 141.2319, 141.2517, 141.2701, and 141.2809) and by adding sections 304 and 802; and to repeal acts and parts of acts.

The bill was read a second time.

Rep. Bishop moved to amend the bill as follows:

1. Amend page 9, line 6, by striking out all of section 304.

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

Rep. Vear moved to substitute (H-1) the bill.

The motion prevailed and the substitute (H-1) was adopted, a majority of the members serving voting therefor.

Rep. Pappageorge moved to amend the bill as follows:

1. Amend page 9, following line 11, by inserting:

“SEC. 308. IF A MUNICIPALITY ISSUES A MUNICIPAL SECURITY THAT CONTAINS THE LIMITED TAX FULL FAITH AND CREDIT PLEDGE OF THE MUNICIPALITY AFTER OCTOBER 1, 2002, A NOTICE OF AT LEAST 1 MEETING AT WHICH A DECISION WILL BE MADE OR DISCUSSED WITH RESPECT TO THE ISSUANCE OF THE MUNICIPAL SECURITY SHALL CONTAIN A STATEMENT THAT THE PROPOSED MUNICIPAL SECURITY WILL CONTAIN A LIMITED TAX FULL FAITH AND CREDIT PLEDGE OF THE MUNICIPALITY. THIS SECTION DOES NOT APPLY TO A REFUNDING SECURITY, SHORT-TERM MUNICIPAL SECURITY ISSUED UNDER PART 4, OR A MUNICIPAL SECURITY FOR WHICH THE MUNICIPALITY IS REQUIRED TO PROVIDE A NOTICE OF THE RIGHT OF REFERENDUM BY LAW OR CHARTER.”.

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

Reps. Bishop and Ruth Johnson moved to amend the bill as follows:

1. Amend page 9, line 6, by striking out all of section 304 and inserting:

“SEC. 304. IF A MUNICIPALITY ISSUES A MUNICIPAL SECURITY SUBJECT TO THIS ACT AND THE PRINCIPAL AND INTEREST FOR THAT MUNICIPAL SECURITY WILL BE PAID BY 1 OR MORE MUNICIPALITIES NOT ISSUING THE MUNICIPAL SECURITY UNDER A CONTRACT, THEN 1 OF THE FOLLOWING APPLIES:

(A) IF ALL OF THE MUNICIPALITIES CONTRACTING TO PAY THE MUNICIPAL SECURITY HAVE BEEN GRANTED QUALIFIED STATUS, THEN THE ISSUANCE OF THE MUNICIPAL SECURITY IS SUBJECT TO SECTION 303(2).

(B) EXCEPT AS PROVIDED IN SUBDIVISION (C), IF 1 OR MORE OF THE MUNICIPALITIES CONTRACTING TO PAY THE MUNICIPAL SECURITY HAVE NOT BEEN GRANTED QUALIFIED STATUS, THEN THE ISSUANCE OF THE MUNICIPAL SECURITY IS SUBJECT TO SECTION 303(7).

(C) IF 1 OR MORE OF THE MUNICIPALITIES CONTRACTING TO PAY THE MUNICIPAL SECURITY HAVE NOT BEEN GRANTED QUALIFIED STATUS AND THE OTHER MUNICIPALITIES REPRESENTING OVER 50% OF THE CONTRACTUAL OBLIGATION HAVE BEEN GRANTED QUALIFIED STATUS AND THE MUNICIPALITY THAT ISSUES THE MUNICIPAL SECURITY HAS BEEN GRANTED QUALIFIED STATUS AND PLEDGES ITS FULL FAITH AND CREDIT ON THE MUNICIPAL SECURITY, THEN THE ISSUANCE OF THE MUNICIPAL SECURITY IS SUBJECT TO SECTION 303(2).”.

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

Rep. Richardville moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Senate Bill No. 1275, entitled

A bill to amend 1994 PA 295, entitled “Sex offenders registration act,” by amending sections 2, 5, 5a, 7, 8, 9, and 10 (MCL 28.722, 28.725, 28.725a, 28.727, 28.728, 28.729, and 28.730), sections 2, 5, 7, 8, 9, and 10 as amended and section 5a as added by 1999 PA 85, and by adding section 4a.

The bill was read a second time.

Rep. Faunce moved to amend the bill as follows:

1. Amend page 5, line 3, after “OR” by inserting “SHERIFF’S”.

2. Amend page 5, line 5, after “THE” by striking out “SHERIFF’S DEPARTMENT HAVING JURISDICTION OVER” and inserting “DEPARTMENT POST NEAREST TO”.

3. Amend page 6, line 12, after “DEPARTMENT” by striking out “OF” and inserting “POST NEAREST TO”.

4. Amend page 7, line 12, after “THE” by inserting “LOCAL”.

5. Amend page 7, line 12, after “AGENCY” by inserting a comma and “SHERIFF’S DEPARTMENT, OR DEPARTMENT POST”.

6. Amend page 7, line 26, after “department” by inserting “POST”.

7. Amend page 8, line 10, after “department” by inserting “POST”.

8. Amend page 13, line 26, after “the” by inserting “LOCAL”.

9. Amend page 15, line 15, after “agency” by inserting a comma and “SHERIFF’S DEPARTMENT, OR DEPARTMENT POST”.

10. Amend page 17, line 19, after the first “agencies” by inserting a comma and “SHERIFF’S DEPARTMENTS, DEPARTMENT POSTS,”.

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

Rep. Bishop moved to amend the bill as follows:

1. Amend page 1, following "**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**" by inserting:

"SEC. 1A. THE LEGISLATURE DECLARES THAT THE SEX OFFENDERS REGISTRATION ACT WAS ENACTED PURSUANT TO THE LEGISLATURE'S EXERCISE OF THE POLICE POWER OF THE STATE WITH THE INTENT TO BETTER ASSIST LAW ENFORCEMENT OFFICERS AND THE PEOPLE OF THIS STATE IN PREVENTING AND PROTECTING AGAINST THE COMMISSION OF FURTHER CRIMINAL SEXUAL ACTS BY CONVICTED SEX OFFENDERS. THE LEGISLATURE HAS DETERMINED THAT A PERSON WHO HAS BEEN CONVICTED OF COMMITTING AN OFFENSE COVERED BY THIS ACT POSES A POTENTIAL SERIOUS MENACE AND DANGER TO THE HEALTH, SAFETY, MORALS, AND WELFARE OF THE PEOPLE, AND PARTICULARLY THE CHILDREN, OF THIS STATE. THE REGISTRATION REQUIREMENTS OF THIS ACT ARE INTENDED TO PROVIDE LAW ENFORCEMENT AND THE PEOPLE OF THIS STATE WITH AN APPROPRIATE, COMPREHENSIVE, AND EFFECTIVE MEANS TO MONITOR THOSE PERSONS WHO POSE SUCH A POTENTIAL DANGER."

The question being on the adoption of the amendment offered by Rep. Bishop,

Rep. Bishop moved to amend the Bishop amendment as follows:

1. Amend the Bishop Amendment, page 1, following "**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**", section 1A, after "COMMISSION OF" by striking out "FURTHER" and inserting "FUTURE".

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

The question being on the adoption of the amendment offered previously by Rep. Bishop,

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

Rep. Patterson moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Senate Bill No. 1241, entitled

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," (MCL 500.100 to 500.8302) by adding section 3406q.

The bill was read a second time.

Rep. Patterson moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Senate Bill No. 184, entitled

A bill to amend 1963 PA 17, entitled "An act to relieve certain persons from civil liability when rendering emergency care, when rendering care to persons involved in competitive sports under certain circumstances, or when participating in a mass immunization program approved by the department of public health," by amending sections 1 and 2 (MCL 691.1501 and 691.1502), section 1 as amended by 1987 PA 30.

Was read a second time, and the question being on the adoption of the proposed amendment previously recommended by the Committee on Civil Law and the Judiciary (for amendment, see House Journal No. 55, p. 1972),

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

Rep. Howell moved to amend the bill as follows:

1. Amend page 5, following line 16, by inserting:

"Enacting section 1. This amendatory act applies to a cause of action arising on or after the effective date of this amendatory act."

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

Rep. Patterson moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Senate Bill No. 1094, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 720 (MCL 257.720), as amended by 1996 PA 136.

Was read a second time, and the question being on the adoption of the proposed amendment previously recommended by the Committee on Transportation (for amendment, see House Journal No. 56, p. 2018),

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

Rep. Bovin moved to amend the bill as follows:

1. Amend page 6, line 5, after "COMMODITIES" by inserting a comma and "TO A VEHICLE EN ROUTE TO A REPAIR FACILITY,".

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

Rep. Patterson moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Senate Bill No. 809, entitled

A bill to amend 1931 PA 328, entitled “The Michigan penal code,” by amending section 231 (MCL 750.231), as amended by 1998 PA 510.

Was read a second time, and the question being on the adoption of the proposed amendments previously recommended by the Committee on Criminal Justice (for amendments, see House Journal No. 56, p. 2019),

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

Rep. Faunce moved to amend the bill as follows:

1. Amend page 2, following line 27, subsection (2), after “UNDER” by striking out “SUBDIVISIONS” and inserting “SUBSECTION”.

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

Rep. Patterson moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

House Bill No. 6054, entitled

A bill to amend 1999 PA 94, entitled “Michigan merit award scholarship act,” by amending section 5 (MCL 390.1455).

Was read a second time, and the question being on the adoption of the proposed substitute (H-2) previously recommended by the Committee on Appropriations,

The substitute (H-2) was adopted, a majority of the members serving voting therefor.

Rep. Caul moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Rep. Patterson moved that the bill be placed on its immediate passage.

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

By unanimous consent the House returned to the order of

Third Reading of Bills

House Bill No. 6054, entitled

A bill to amend 1999 PA 94, entitled “Michigan merit award scholarship act,” by amending section 5 (MCL 390.1455).

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 962

Yeas—102

Adamini	Faunce	LaSata	Richner
Allen	Frank	Lipsey	Rivet
Anderson	Garza	Lockwood	Rocca
Basham	George	Mans	Schauer
Bernero	Gielegem	McConico	Shackleton
Birkholz	Gilbert	Mead	Sheltrown
Bisbee	Godchaux	Meyer	Shulman
Bishop	Gosselin	Middaugh	Spade
Bogardus	Hager	Minore	Stallworth
Bovin	Hale	Mortimer	Stamas
Bradstreet	Hansen	Murphy	Stewart
Brown, B.	Hardman	Neumann	Switalski
Brown, C.	Hart	Newell	Tabor
Brown, R.	Howell	O’Neil	Thomas
Callahan	Hummel	Palmer	Van Woerkom
Cassis	Jacobs	Pappageorge	Vander Roest
Caul	Jamnack	Patterson	Vander Veen
Clark, I.	Jelinek	Pestka	Vear
Clarke, H.	Johnson, Rick	Phillips	Voorhees
Daniels	Johnson, Ruth	Plakas	Waters

Dennis	Julian	Pumford	Whitmer
DeRossett	Koetje	Quarles	Williams
DeVuyst	Kolb	Rackowski	Wojno
DeWeese	Kooiman	Reeves	Woodward
Drolet	Kowall	Richardville	Zelenko
Ehardt	Kuipers		

Nays—0

In The Chair: Julian

The House agreed to the title of the bill.
Rep. Patterson moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.

Rep. Caul moved that her name be removed as sponsor of the bill.
The motion prevailed.

Second Reading of Bills

Senate Bill No. 793, entitled

A bill to establish an educational scholarship program for eligible resident students enrolled in certain nursing programs; to prescribe conditions for repayment of the scholarships; to provide for the administration of the Michigan nursing scholarship program; and to prescribe certain powers and duties of certain state officers, agencies, and departments.

Was read a second time, and the question being on the adoption of the proposed substitute (H-1) previously recommended by the Committee on Appropriations,

The substitute (H-1) was adopted, a majority of the members serving voting therefor.

Reps. Whitmer and Vander Veen moved to amend the bill as follows:

1. Amend page 2, line 8, after "333.22260," by striking out "or".
2. Amend page 2, line 10, after "333.22260," by inserting "in a health facility or agency licensed under article 17 of the public health code, 1978 PA 368, MCL 333.20101 to 333.22260, that provides nonemergency health care to patients without receiving compensation for providing that nonemergency health care, or in a clinic or other health care program operated by a local health department that provides 1 or more required services under part 24 of the public health code, 1978 PA 368, MCL 333.2401 to 333.2498,".

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

Rep. Patterson moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Rep. Patterson moved that the bill be placed on its immediate passage.

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

By unanimous consent the House returned to the order of

Third Reading of Bills

Senate Bill No. 793, entitled

A bill to establish an educational scholarship program for eligible resident students enrolled in certain nursing programs; to prescribe conditions for repayment of the scholarships; to provide for the administration of the Michigan nursing scholarship program; and to prescribe certain powers and duties of certain state officers, agencies, and departments.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 963**Yeas—102**

Adamini	Faunce	LaSata	Richner
Allen	Frank	Lipsey	Rivet
Anderson	Garza	Lockwood	Rocca
Basham	George	Mans	Schauer
Bernero	Gielegem	McConico	Shackleton
Birkholz	Gilbert	Mead	Sheltrown
Bisbee	Godchaux	Meyer	Shulman
Bishop	Gosselin	Middaugh	Spade
Bogardus	Hager	Minore	Stallworth
Bovin	Hale	Mortimer	Stamas
Bradstreet	Hansen	Murphy	Stewart
Brown, B.	Hardman	Neumann	Switalski
Brown, C.	Hart	Newell	Tabor
Brown, R.	Howell	O'Neil	Thomas
Callahan	Hummel	Palmer	Van Woerkom
Cassis	Jacobs	Pappageorge	Vander Roest
Caul	Jamnick	Patterson	Vander Veen
Clark, I.	Jelinek	Pestka	Vear
Clarke, H.	Johnson, Rick	Phillips	Voorhees
Daniels	Johnson, Ruth	Plakas	Waters
Dennis	Julian	Pumford	Whitmer
DeRossett	Koetje	Quarles	Williams
DeVuyst	Kolb	Rackowski	Wojno
DeWeese	Kooiman	Reeves	Woodward
Drolet	Kowall	Richardville	Zelenko
Ehardt	Kuipers		

Nays—0

In The Chair: Julian

The House agreed to the title of the bill.

Rep. Patterson moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

By unanimous consent the House returned to the order of

Reports of Select Committees

Second Conference Report

The Committee of Conference on the matters of difference between the two Houses concerning

House Bill No. 5642, entitled

A bill to make appropriations for the department of agriculture for the fiscal year ending September 30, 2003; 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.

Recommends:

First: That the House and Senate agree to the Substitute of the Senate as passed by the Senate, amended to read as follows:

A bill to make appropriations for the department of agriculture for the fiscal year ending September 30, 2003; 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 PEOPLE OF THE STATE OF MICHIGAN ENACT:
PART 1
LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of agriculture for the fiscal year ending September 30, 2003, from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF AGRICULTURE

APPROPRIATION SUMMARY:

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	629.5	
GROSS APPROPRIATION		\$ 96,470,700
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		10,953,800
ADJUSTED GROSS APPROPRIATION		\$ 85,516,900
Total federal revenues		6,639,500
Total local revenues		0
Total private revenues		1,127,600
Total other state restricted revenues		39,342,400
State general fund/general purpose		\$ 38,407,400

Sec. 102. EXECUTIVE

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	57.0	
Commission and boards		\$ 63,300
Unclassified positions—6.0 FTE positions.....		488,200
Executive direction—4.0 FTE positions.....		525,700
Management services—48.0 FTE positions.....		3,697,200
Statistical reporting service—5.0 FTE positions		435,100
GROSS APPROPRIATION		\$ 5,209,500

Appropriated from:

Interdepartmental grant revenues:		
IDG from MDCIS (LCC), nonretail liquor license fees.....		8,800
Special revenue funds:		
Gasoline inspection and testing fund.....		47,800
Licensing and inspection fees		62,100
Michigan state fair revenue.....		80,500
State services fee fund		160,500
Upper Peninsula state fair revenue.....		9,000
State general fund/general purpose		\$ 4,840,800

Sec. 103. DEPARTMENTWIDE

Rent and building occupancy charges		\$ 1,856,200
GROSS APPROPRIATION		\$ 1,856,200

Appropriated from:

Special revenue funds:		
State services fee fund		304,600
State general fund/general purpose		\$ 1,551,600

Sec. 104. FOOD AND DAIRY

Full-time equated classified positions	116.0	
Food safety and quality assurance—116.0 FTE positions		\$ 10,242,700
Local public health operations		8,977,500
GROSS APPROPRIATION		\$ 19,220,200

Appropriated from:

Interdepartmental grant revenues:		
IDG from MDCH, local public health operations.....		8,977,500
Federal revenues:		
HHS-FDA		186,700
DAG-Multiple grants		22,700
Special revenue funds:		
Civil penalties.....		40,300
Licensing and inspection fees		2,555,400
State general fund/general purpose		\$ 7,437,600

For Fiscal Year
Ending Sept. 30,
2003

Sec. 105. ANIMAL INDUSTRY

Full-time equated classified positions	54.0	
Animal health and welfare—25.5 FTE positions		\$ 2,265,400
Bovine tuberculosis program—28.5 FTE positions		3,469,000
GROSS APPROPRIATION		<u>\$ 5,734,400</u>
Appropriated from:		
Federal revenues:		
HHS-FDA		9,000
Special revenue funds:		
Licensing and inspection fees		176,500
Pseudorabies and swine brucellosis fund		20,000
State general fund/general purpose		\$ 5,528,900

Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT

Full-time equated classified positions	132.3	
Pesticide and plant pest management—132.3 FTE positions		\$ 12,924,100
Michigan State University		210,000
GROSS APPROPRIATION		<u>\$ 13,134,100</u>
Appropriated from:		
Federal revenues:		
DAG, multiple grants		1,952,200
EPA, multiple grants		1,510,000
HHS-FDA		60,000
Special revenue funds:		
Private - slow-the-spread foundation		130,000
Commodity inspection fees		991,500
Licensing and inspection fees		2,413,000
State general fund/general purpose		\$ 6,077,400

Sec. 107. ENVIRONMENTAL STEWARDSHIP

Full-time equated classified positions	55.0	
Environmental stewardship—38.0 FTE positions		\$ 3,281,000
Groundwater and freshwater protection program—10.0 FTE positions		5,174,000
Farmland and open space preservation—7.0 FTE positions		699,800
Agriculture pollution prevention program		100
Cooperative resources management initiative program		1,000,000
Energy conservation program		138,000
Local conservation districts		1,465,800
Migrant labor housing		550,000
Open space development rights easements payments		50,000
GROSS APPROPRIATION		<u>\$ 12,358,700</u>

Appropriated from:

Interdepartmental grant revenues:		
IDG from MDEQ, biosolids		80,000
IDG from MDEQ, type II well survey		15,000
IDG from MDNR, district forestry and wildlife program		1,000,000
IDG from MDEQ, right to farm		105,000
Federal revenues:		
DAG-NRCS		250,000
EPA, multiple grants		400,000
Special revenue funds:		
Private - oil company overcharge settlement		193,900
Agricultural preservation fund		699,800
Environmental protection fund		50,000
Agriculture pollution prevention fund		100
Groundwater and freshwater protection fund		4,674,000
Industry support funds		40,000
State general fund/general purpose		<u>\$ 4,850,900</u>

For Fiscal Year
Ending Sept. 30,
2003

Sec. 108. LABORATORY PROGRAM

Full-time equated classified positions	135.0	
Laboratory analysis program—73.5 FTE positions		\$ 6,321,500
USDA monitoring—19.0 FTE positions.....		1,824,000
Consumer protection program—42.5 FTE positions.....		3,232,500
GROSS APPROPRIATION.....		\$ 11,378,000

Appropriated from:

Interdepartmental grant revenues:

IDG from MDCIS (LCC), liquor quality testing fees		161,500
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Federal revenues:

EPA, multiple grants		300,000
DAG, multiple grants.....		1,844,400

Special revenue funds:

Private - oil company overcharge settlement.....		803,700
Agriculture equine industry development fund.....		509,100
Gasoline inspection and testing fund.....		1,491,800
Testing fees.....		232,500
Weights and measures regulation fees		323,400
State general fund/general purpose		\$ 5,711,600

Sec. 109. MARKET DEVELOPMENT

Full-time equated classified positions	21.5	
Marketing and emergency management—15.5 FTE positions		\$ 2,005,600
Agriculture development—6.0 FTE positions		742,400
Export market development program		100,000
Food bank		487,400
Southwestern Michigan tourist council - taste of Michigan		60,400
Future farmers of America.....		60,000
GROSS APPROPRIATION.....		\$ 3,455,800

Appropriated from:

Interdepartmental grant revenues:

IDG from MDCIS (LCC), nonretail liquor license fees.....		603,000
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Federal revenues:

DAG, multiple grants.....		100,000
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Special revenue funds:

Industry support funds		260,000
State general fund/general purpose		\$ 2,492,800

Sec. 110. FAIRS AND EXPOSITIONS

Full-time equated classified positions	22.0	
Michigan state fair operations—9.0 FTE positions		\$ 5,110,200
Upper Peninsula state fair—8.0 FTE positions.....		1,214,400
Fairs and racing—5.0 FTE positions.....		612,500
Building and track improvement - county and state fairs		963,200
Premiums-county and state fairs		1,614,000
Purses and supplements - fairs/licensed tracks		2,969,000
Standardbred fedele fauri futurity		98,400
Standardbred Michigan futurity		98,400
Quarterhorse programs.....		48,300
Quarterhorse programs breeders awards.....		5,000
Licensed tracks-light horse racing.....		93,500
Standardbred breeders' awards.....		1,503,200
Standardbred purses and supplements-licensed tracks.....		336,700
Standardbred sire stakes.....		1,259,400
Thoroughbred sire stakes		1,259,400
Standardbred training and stabling.....		53,200
Thoroughbred program.....		2,203,900
Thoroughbred owners' awards		189,600

	For Fiscal Year Ending Sept. 30, 2003
Distribution of outstanding winning tickets	500,000
Fairs and festivals promotion	60,000
GROSS APPROPRIATION	\$ 20,192,300
Appropriated from:	
Special revenue funds:	
Agriculture equine industry development fund.....	10,618,000
Michigan state fair revenue.....	5,203,100
State services fee fund	3,156,800
Upper Peninsula state fair revenue.....	1,214,400
State general fund/general purpose	\$ 0
Sec. 111. OFFICE OF RACING COMMISSIONER	
Full-time equated classified positions	36.7
Office of racing commissioner—36.7 FTE positions.....	\$ 3,747,700
GROSS APPROPRIATION	\$ 3,747,700
Appropriated from:	
Special revenue funds:	
Agriculture equine industry development fund.....	1,147,700
State services fee fund	2,600,000
State general fund/general purpose	\$ 0
Sec. 112. INFORMATION AND TECHNOLOGY	
Information technology services and projects	\$ 1,907,300
GROSS APPROPRIATION	\$ 1,907,300
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDCIS (LCC), nonretail liquor license fees.....	500
IDG from MDCIS (LCC), liquor quality testing fees	2,500
Federal revenues:	
DAG-multiple grants.....	4,500
Special revenue funds:	
Groundwater and freshwater protection fund	100
Agriculture equine industry development fund.....	142,200
Agricultural preservation fund	200
State services fee fund	2,100
Upper Peninsula state fair revenue.....	900
Michigan state fair revenue.....	88,800
Gasoline inspection and testing fund.....	26,200
State general fund/general purpose	\$ 1,639,300
Sec. 113. EARLY RETIREMENT AND BUDGETARY SAVINGS	
Early retirement savings.....	\$ (1,315,500)
Budgetary savings.....	(408,000)
GROSS APPROPRIATION	\$ (1,723,500)
Appropriated from:	
State general fund/general purpose	\$ (1,723,500)

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2002-2003 is \$77,749,800.00 and state spending from state resources to be paid to local units of government for fiscal year 2002-2003 is \$3,315,800.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF AGRICULTURE

Groundwater and freshwater protection program	\$ 1,800,000
Local conservation districts	1,465,800
Open space development rights easements payments	\$ 50,000
TOTAL	\$ 3,315,800

Sec. 202. The appropriations authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this act:

- (a) "DAG" means the United States department of agriculture.
- (b) "DAG-NRCS" means the United States department of agriculture - natural resources conservation service.
- (c) "Department" means the department of agriculture.
- (d) "Director" means the director of the department.
- (e) "EPA" means the United States environmental protection agency.
- (f) "FTE" means full-time equated.
- (g) "HHS-FDA" means the United States department of health and human services - food and drug administration.
- (h) "IDG" means interdepartmental grant.
- (i) "MDCH" means the Michigan department of community health.
- (j) "MDCIS (LCC)" means the Michigan department of consumer and industry services - liquor control commission.
- (k) "MDEQ" means the Michigan department of environmental quality.
- (l) "MDNR" means the Michigan department of natural resources.

Sec. 204. The department of civil service shall bill departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 205. (1) A hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.

(2) The state budget director shall grant exceptions to this hiring freeze when the state budget director believes the hiring freeze will result in rendering a state department or agency unable to deliver basic services, cause a loss of revenue to the state, result in the inability of the state to receive federal funds, or would necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.

(3) The hiring freeze does not apply to the animal industry program.

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$6,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 207. At least 60 days before beginning any effort to privatize, the department shall submit a complete project plan to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies within 30 months.

Sec. 208. Unless otherwise specified, the department shall use the internet to fulfill the reporting requirements of this act. This may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site. Quarterly, the department shall provide to the appropriations subcommittees members, the fiscal agencies, and the state budget office an electronic and paper copy listing of the reports submitted during the most recent 3-month period along with the internet or intranet site of each report, if any.

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

Sec. 210. The director of each department receiving appropriations in part 1 shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 211. (1) The unexpended and unobligated balance of any state restricted fund or account remaining at the end of the fiscal year shall revert back to the state restricted fund or account from which appropriated and be available for appropriation for the next fiscal year. Appropriations that revert to a state restricted fund or account pursuant to this section shall not revert to the general fund of this state.

(2) A state restricted revenue fund or account that receives revenues in excess of expenditures made from that state restricted revenue fund or account shall not have the excess revenue revert to the general fund of this state.

(3) The revenues collected in the agriculture equine industry development fund in fiscal year 2001-2002 shall not lapse but shall be carried forward to fund appropriations made pursuant to this act and subsequent acts.

Sec. 212. (1) Of the funds appropriated in part 1, the department may provide for indemnity as provided for pursuant to the animal industry act of 1987, 1988 PA 466, MCL 287.701 to 287.747, not to exceed \$100,000.00 per order from any line item for the fiscal year ending September 30, 2003. Before the department provides for an indemnification under this section, the department shall report the reason for the indemnification, the amount of the indemnification, and to whom the indemnification is to be paid. The report shall be given to each member of the house and senate appropriations subcommittees on agriculture and to the senate and house fiscal agencies and the state budget director.

(2) The department of agriculture shall make an indemnification payment for the fair market value of livestock that is killed by a wolf or coyote, if the kill is verified by the department of natural resources. The fair market value of the livestock shall be determined pursuant to the indemnification procedures prescribed in the animal industry act, 1988 PA 466, MCL 287.701 to 287.747. In addition to the funds appropriated in part 1, the department of agriculture is authorized to expend the funds received from the department of natural resources to reimburse the department of agriculture for all indemnification payments made pursuant to this subsection.

(3) All indemnification payments for individual livestock or domestic animals within a herd, flock, or school shall be made pursuant to section 14 of the animal industry act, 1988 PA 466, MCL 287.714, based on 100% of the fair market value of that type of livestock or domestic animal, not to exceed \$4,000.00.

(4) For those payments made from January 1, 1998, through October 31, 2000, the department shall calculate the difference between what was paid for every herd, flock, or school and the rate paid subsequent to October 31, 2000.

(5) The department shall use bovine TB work project revenue to implement this section.

Sec. 213. When the department applies to the department of management and budget with a request for a transfer of appropriations or for a supplemental appropriation, the department shall provide the senate and house fiscal agencies with the same information that the department provides the department of management and budget relative to the request for transfer or supplemental.

Sec. 214. Of the funds appropriated in part 1 that are other than line-item grants, the department shall not provide grants to local government agencies, institutions of higher education, or nonprofit organizations unless the department provides notice of the grant to the house and senate appropriations subcommittees on agriculture at least 10 days before the grant is issued. The grants shall be used to support research or other related activities for the purpose of enhancing the agricultural industries in this state.

Sec. 215. The legislature will not fund nonfair or nonhorse racing grants or projects from revenues from simulcasting in fiscal year 2002-2003.

Sec. 216. The unexpended and unencumbered balance of revenue deposited pursuant to section 20 of the horse racing law of 1995, 1995 PA 279, MCL 431.320, for the fiscal year ending September 30, 2003, shall be appropriated to the Michigan agriculture equine industry development fund for distribution as set forth in section 20 of the horse racing law of 1995, 1995 PA 279, MCL 431.320.

Sec. 219. From the funds appropriated in part 1 for information technology, the department shall pay user fees to the department of information technology for technology related services and projects. Such user fees shall be subject to provisions of an interagency agreement between the department and the department of information technology.

Sec. 220. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 224. (1) The negative appropriation for early retirement savings in part 1 shall be satisfied by savings realized from not filling all of the positions lost due to the early retirement plan for state employees enacted in 2000 PA 93 amendments to the state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69.

(2) The negative appropriation for budgetary savings in part 1 shall be satisfied by savings from the hiring freeze imposed under section 205, efficiencies, and other savings identified by the director and approved by the state budget director.

(3) Appropriation authorization adjustments required to implement the negative appropriations for early retirement savings and budgetary savings shall be made only after the approval of transfers by the legislature under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 225. (1) Subject to subsection (2), in addition to the amounts appropriated in part 1, the following amounts are appropriated for the fiscal year ending September 30, 2003:

(a) \$488,600.00 is appropriated to local conservation districts from the state general fund.

- (b) \$158,200.00 is appropriated to the food bank council of Michigan from the state general fund.
- (c) \$23,300.00 is appropriated to horse shows from the state general fund.

(2) The appropriations in subsection (1) shall become effective only if the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 30 cents or more per pack of cigarettes on or before September 30, 2002.

EXECUTIVE

Sec. 301. The appropriations in section 102 may be used for per diem payments to members of boards, committees, and commissions for a full day’s board, committee, or commission work at which a quorum is present; for attending a hearing as authorized by the respective board, committee, or commission; or for performing official business as authorized by the respective board, committee, or commission. The per diem payments shall be at a rate as follows:

- (a) Commission of agriculture..... \$ 75.00 per day
- (b) Upper Peninsula state fair board..... 50.00 per day
- (c) Agricultural marketing and bargaining board 35.00 per day
- (d) Michigan state fair council..... 50.00 per day
- (e) Grape and wine industry council 50.00 per day

Sec. 302. The department may receive and expend revenue and use that revenue to cover necessary expenses related to publications, audit and licensing functions, livestock sales, certification of nursery stock, bean inspection services, and laboratory analyses as specified in the following:

- (a) Management services publications.
- (b) Management services audit and licensing functions.
- (c) Upper Peninsula state fair livestock sales.
- (d) Pesticide and plant pest management propagation and certification of virus free foundation stock.
- (e) Pesticide and plant pest management bean inspection and grading services.
- (f) Laboratory support testing for testing horses in draft horse pulling contests at county fairs when local jurisdictions request state assistance.
- (g) Laboratory support analyses to determine foreign substances in horses engaged in racing or pulling contests at tracks.
- (h) Laboratory support analysis of food, livestock, and agricultural products for disease, foreign products for disease, toxic materials, foreign substances, and quality standards.
- (i) Laboratory support test samples for other agencies and organizations.
- (j) Fruit and vegetable inspection at shipping and termination points and processing plants.

Sec. 303. Of the funds appropriated in part 1 for statistical reporting service, \$90,000.00 shall be used for surveys which include, but are not limited to, fruit, vegetables, and nursery stock, which encompasses Christmas trees and ornamental plants. The director of the Michigan department of agriculture is given authority to include other agricultural surveys such as turfgrass in the 3- to 5-year rotation. The survey shall include information such as existing plantings/acreage, new plantings/acreage, production, and number of growers.

FOOD AND DAIRY

Sec. 401. (1) The department shall monitor restaurant inspection and licensing functions carried out by local health departments to ensure uniform application and enforcement of minimum program requirements. On or before April 1, 2003, the department shall report to the senate and house appropriations subcommittees on agriculture, the senate and house fiscal agencies, and the state budget director on local health department conformance with minimum program requirements.

(2) If a local unit of government incurs additional costs resulting from its efforts to control a significant food-borne outbreak, the director shall seek additional resources to reimburse the local unit of government for these additional costs. The director shall involve the local health officer of the jurisdiction affected in all aspects of the control of any food-borne outbreak.

Sec. 402. Not later than April 1, 2003, the department shall provide a report to the house and senate appropriations subcommittees on agriculture and the house and senate fiscal agencies describing significant food-borne outbreaks and emergencies including any enforcement actions taken related to food safety during the 2001-2002 fiscal year.

Sec. 403. The department, in conjunction with the department of community health, shall assure that a process is in place that requires a local unit of government to obtain prior approval from the department before any reallocation or redistribution of program funds appropriated in section 104.

ANIMAL INDUSTRY

Sec. 450. From the funds appropriated in section 105 for the bovine tuberculosis program, the department of agriculture shall reimburse the department of natural resources for those costs associated with monitoring and testing wildlife for bovine tuberculosis that are necessary to support the department of agriculture goals and are jointly agreed to by the department of agriculture and the department of natural resources to be in excess of efforts necessary to effectively plan and execute the eradication of bovine tuberculosis from Michigan’s wild free-ranging deer herd.

Sec. 451. From the funds appropriated in section 101 for bovine tuberculosis, the department shall pay for all whole herd testing costs to achieve and maintain split-state status requirements. These costs include producer assistance, indemnity, and compensation for injury causing death or downer to animals.

PESTICIDE AND PLANT PEST MANAGEMENT

Sec. 501. Of the funds appropriated in section 106 to the pesticide and plant pest management division, up to \$100,000.00 may be made available to the Michigan cooperative extension service for the purpose of training of applicators. Reimbursement shall be based on actual expenditures and revenue availability.

Sec. 503. The department is authorized to enter into a cooperative agreement with a nonprofit foundation or agency associated with the gypsy moth slow-the-spread program in order to receive funds for managing plant pests.

ENVIRONMENTAL STEWARDSHIP

Sec. 601. The funds appropriated in section 107 for the energy conservation program shall be distributed on a competitive basis that will be based on statewide energy conservation criteria.

Sec. 602. The department may expend the amount appropriated for migrant labor housing grants for construction of new migrant labor housing. Beginning October 1, 2002, project grants shall not exceed \$5,000.00 per unit. Beginning October 1, 2002, an applicant is not eligible for more than a \$20,000.00 grant in any fiscal year.

Sec. 603. The department shall apply for all federal funds for which it is eligible that can be used to support the migrant labor housing program.

Sec. 604. The appropriation in section 107 for local conservation districts shall be allocated in the following manner:

(a) Of the total appropriation, \$130,000.00 shall be allocated for local conservation district training.

(b) Of the total appropriation, each local conservation district meeting the minimum grant requirements shall receive a grant of \$20,000.00 to support basic operations, unless the district resides in a county consisting of multiple districts, in which case a \$20,000.00 grant shall be divided equally among the districts in that county. The amount of money allocated under this subdivision shall not be used by local conservation districts to replace any money received from local sources.

(c) Of the remaining appropriation after distributions under subdivisions (a) and (b), additional grants, not to exceed \$20,000.00 per local conservation district, may be provided based on a formula approved by the commission of agriculture. Grants under this subdivision shall require at least a 100% cash or in-kind local match. Criteria used to distribute grants under this subdivision shall include, but are not limited to, the natural resources need, the size, and the population of the area served by each local conservation district.

Sec. 605. The appropriation in part 1 for open space development rights easement payments shall be used by the department only to reimburse local units of government for lost revenues associated with open space development rights easements under section 36105(2)(e) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.36105.

MARKET DEVELOPMENT

Sec. 701. Within the appropriations in part 1 for market development, \$603,000.00 is for the grape and wine industry council, from which the department may provide grants for the purposes as described in section 303 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1303.

Sec. 702. In any given year when insufficient amounts of Michigan surplus products are offered to the food bank council and accepted for distribution, unused funds may be applied by the food bank council for the direct purchase of foods from Michigan growers, manufacturers, or wholesalers.

Sec. 704. Indirect costs may not be charged against the future farmers of America grant in section 109 by any administering agency.

Sec. 705. The appropriation in section 109 for the export market development program shall be used to coordinate state participation in the federal market access program and to leverage federal funds for the purpose of developing new and enhancing existing export markets for Michigan agricultural products.

Sec. 707. The department is authorized to receive and expend up to \$5,000,000.00 of utility company uncollectible allowance recovery fund resources which may be deposited into the agricultural development fund for the support of grants for value-added agricultural processing and agricultural production ventures in accordance with the Julian-Stille value-added act, 2000 PA 322, MCL 285.301 to 285.304. The agriculture development fund resources when certified as available by the department of treasury shall remain unallotted until such time as the state budget director has reviewed and approved a department submitted allotment schedule. Expenditures for support of agricultural processing and production ventures shall not exceed revenues received. Unexpended resources remaining in the fund at the end of the fiscal year shall remain in the fund and not lapse to the general fund.

FAIRS AND EXPOSITIONS

Sec. 801. The department shall submit a report each month to the state budget director, the senate and house appropriations subcommittees on agriculture, and the senate and house fiscal agencies that states the simulcasting revenues generated in the preceding month by each licensed track and the amount received from license fees.

Sec. 802. (1) The appropriation of \$297,100.00 in part 1 for standardbred purses and supplements - licensed tracks is intended to provide state purse supplements for 4 races at state licensed pari-mutuel horse racing tracks. The purse

supplements are to be used for races comprised only of Michigan-bred horses segregated into a 4-year-old colt trot division, a 4-year-old filly trot division, a 4-year-old colt pace division, and a 4-year-old filly pace division.

(2) The appropriation in part 1 for licensed tracks - light horse racing shall be allocated as follows:

Arabian and Appaloosa horse racing.....	\$	23,400
Quarter horse racing.....		70,100

Sec. 803. Included in the appropriation made in part 1 for the thoroughbred program is \$30,500.00 for the Michigan united thoroughbred breeders and owners association to conduct a thoroughbred yearling show. The Michigan united thoroughbred breeders and owners association shall submit to the department an itemized list of expenses showing that the expenses of the yearling show were paid.

Sec. 804. From the funds appropriated in section 110 for thoroughbred owners' awards, the department shall develop a program to provide for thoroughbred owners' awards that will be given to owners of Michigan-bred horses finishing first in nonrestricted races at licensed pari-mutuel tracks in Michigan.

Sec. 805. The department shall notify the senate and house appropriations subcommittees on agriculture and the senate and house fiscal agencies of any planned reductions in appropriations, allocations, or expenditures from the agriculture equine industry development fund no less than 10 days before such reductions are implemented.

Sec. 806. A county fair, district fair, 4-H fair, or state fair receiving funds in section 110 to be used for prizes or awards, in whole or in part, as a condition precedent to the receiving of the funds for those purposes, shall publish the rules relative to the prizes, awards, and deadlines for entries eligible for the funds in their official premium books or lists relative to the prizes or awards. An aggrieved exhibitor may make a written complaint to the fair within 10 days after the fair ends. If the fair has not satisfactorily settled the grievance within 45 days after it is submitted to the fair, the aggrieved person may file the complaint with the department and the department shall investigate the complaint and make a finding of fact regarding the complaint and take appropriate action regarding the complaint.

Sec. 807. Of the amount appropriated in section 110 for purses and supplements - fairs/licensed tracks, a sufficient amount is appropriated to provide for overnight purse supplements pursuant to the horse racing law of 1995, 1995 PA 279, MCL 431.301 to 431.336.

Sec. 808. Of the amount appropriated in section 110 for premiums, \$11,400.00 shall be expended as a grant for the Michigan horse show association - fall youth show.

Sec. 809. From the appropriations for premiums - county and state fairs in section 110, \$120,000.00 shall be awarded through a competitive grant program to local, regional, or state fairs or expositions to promote youth involvement and adult exhibitions in the animal agriculture industry. Appropriate exhibition classes for youth shall be developed that encourage a production exhibit for which premium awards may be paid. The age for youth exhibitors shall be determined by the standards of the association requesting the grant or, if standards do not exist, the age for youth exhibitors shall be ages 9 through 21. Implementation of the latest technologies into the evaluation of the animals shall be encouraged in the production exhibit. Adult exhibitions should focus on the performance or end product, or both, with the appropriate technologies used to enhance placings and the awarding of premiums.

Sec. 811. The funds appropriated in section 110 for distribution of outstanding winning tickets are not available for expenditure until they are deposited in the agriculture equine industry development fund pursuant to section 2 of 1951 PA 90, MCL 431.252. These funds shall be expended in accordance with section 2 of 1951 PA 90, MCL 431.252, and only after they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 812. An individual or other entity that leases land, a building, or other property under the Michigan exposition and fairgrounds act, 1978 PA 361, MCL 285.161 to 285.176, is not eligible for a state grant, loan, appropriation, or other state subsidy related to the leased land, building, or other property.

Sec. 813. (1) On or before January 29, 2003, the department, together with the senate and house fiscal agencies and the department of management and budget, shall estimate the unreserved and unencumbered closing balance of the agriculture equine industry development fund for the fiscal year ending September 30, 2002. The estimate shall consider lapsed appropriations from the fund and any carryforward amounts designated for appropriation in the fiscal year ending September 30, 2003.

(2) On or before February 5, 2003, the department shall request a legislative transfer in accordance with section 393 of the management and budget act, 1984 PA 431, MCL 18.1393, to appropriate any estimated unreserved and unencumbered agriculture equine industry development fund balance in excess of \$250,000.00. The appropriations included in the transfer request shall be in accordance with the requirements of section 20 of the horse racing law of 1995, 1995 PA 279, MCL 431.320. At the same time the department forwards its transfer request to the department of management and budget, the department shall submit copies of the transfer request to the senate and house appropriations subcommittees on agriculture and the senate and house fiscal agencies.

Sec. 815. From the appropriation in section 110 for building and track improvement - county and state fairs, \$49,000.00 shall be awarded to licensed race meet operators for promotions, capital improvements, or operations at race meets which are conducted on facilities leased from county fairs. On or before December 31, 2002, the department shall report to the senate and house appropriations subcommittees on agriculture and the senate and house fiscal agencies on the distribution of these funds.

Sec. 816. The appropriation in section 110 for fairs and festivals promotion shall be used by the department to provide grants to the industry for statewide volunteer staff education and promotion of commodities.

OFFICE OF RACING COMMISSIONER

Sec. 901. The racing commissioner may pay rewards of not more than \$5,800.00 to a person who provides information that results in the arrest and conviction on a felony or misdemeanor charge for a crime that involves the horse racing industry. A reward paid pursuant to this section shall be paid out of the office of racing commissioner line item.

Second: That the House and Senate agree to the title of the bill to read as follows:

A bill to make appropriations for the department of agriculture for the fiscal year ending September 30, 2003; 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.

Mike Pumford
Jerry Vander Roest
Conferees for the House

George A. McManus, Jr.
Philip E. Hoffman
Conferees for the Senate

The Speaker announced that under Joint Rule 9 the second conference report would lie over one day.

Second Conference Report

The Committee of Conference on the matters of difference between the two Houses concerning **House Bill No. 5645, 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, 2003; 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.

Recommends:

First: That the House and Senate agree to the Substitute of the Senate as passed by the Senate, amended to read as follows:

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, 2003; 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.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:
PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the family independence agency for the fiscal year ending September 30, 2003, from the funds indicated in this part. The following is a summary of the appropriations in this part:

FAMILY INDEPENDENCE AGENCY

Full-time equated classified positions	12,495.1	
Full-time equated unclassified positions	6.0	
Total full-time equated positions	12,501.1	
GROSS APPROPRIATION		\$ 4,071,412,900
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		\$ 978,800
ADJUSTED GROSS APPROPRIATION		\$ 4,070,434,100
Federal revenues:		
Total federal revenues		2,754,816,050
Special revenue funds:		
Total private revenues		9,856,850
Total local revenues		67,150,000
Total other state restricted revenues		65,388,800
State general fund/general purpose		\$ 1,173,222,400

For Fiscal Year
Ending Sept. 30,
2003

Sec. 102. EXECUTIVE OPERATIONS

Total full-time equated positions	589.8	
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	583.8	
Unclassified salaries—6.0 FTE positions		\$ 505,800
Salaries and wages—432.8 FTE positions.....		22,720,100
Contractual services, supplies, and materials		8,293,300
Demonstration projects—13.0 FTE positions		8,938,100
Child support distribution computer system—8.0 FTE positions		17,155,600
Supplemental security income advocates, salaries and wages—16.0 FTE positions.....		1,050,800
Commission on disability concerns—8.0 FTE positions		956,900
Commission for the blind—106.0 FTE positions		18,036,300
Youth low vision program.....		260,000
GROSS APPROPRIATION		\$ 77,916,900
Appropriated from:		
Interdepartmental grant revenues:		
ADJUSTED GROSS APPROPRIATION		\$ 77,916,900
Appropriated from:		
Federal revenues:		
Total federal revenues		51,097,800
Special revenue funds:		
Total private revenues		1,340,000
Total local revenues		275,000
Total other state restricted revenues		477,300
State general fund/general purpose		\$ 24,726,800

Sec. 103. FAMILY INDEPENDENCE SERVICES ADMINISTRATION

Full-time equated classified positions	437.5	
Salaries and wages—301.5 FTE positions.....		\$ 15,181,000
Contractual services, supplies, and materials		19,198,500
Child support incentive payments		32,409,600
Legal support contracts		135,896,400
Employment and training support services.....		14,851,700
Project Zero—84.0 FTE positions.....		12,132,500
Wage employment verification reporting—2.0 FTE positions		2,170,200
Urban and rural empowerment/enterprise zones.....		100
Training and staff development—50.0 FTE positions		9,881,200
Community services block grants		24,350,000
GROSS APPROPRIATION		\$ 266,071,200
Appropriated from:		
Interdepartmental grant revenues:		
ADJUSTED GROSS APPROPRIATION		\$ 266,071,200
Appropriated from:		
Federal revenues:		
Total federal revenues		244,534,200
Special revenue funds:		
Total local revenues		340,000
State general fund/general purpose		\$ 21,197,000

Sec. 104. CHILD AND FAMILY SERVICES

Full-time equated classified positions	105.3	
Salaries and wages—45.3 FTE positions.....		\$ 2,836,800
Contractual services, supplies, and materials		1,657,500
Refugee assistance program—4.0 FTE positions.....		12,705,900
Foster care payments.....		151,378,900
Wayne County foster care payments		96,412,500
Adoption subsidies.....		204,952,800
Adoption support services—9.0 FTE positions		14,600,400

	For Fiscal Year Ending Sept. 30, 2003
Youth in transition—10.0 FTE positions	13,353,500
Interstate compact	300,000
Children's benefit fund donations	21,000
Domestic violence prevention and treatment—6.0 FTE positions	13,149,000
Teenage parent counseling—4.0 FTE positions	4,426,700
Family preservation and prevention services—20.0 FTE positions	77,754,500
Black child and family institute	100,000
Rape prevention and services	2,600,000
Children's trust fund administration—7.0 FTE positions	495,000
Children's trust fund grants	3,615,000
Attorney general contract	2,481,000
Guardian contract	600,000
Prosecuting attorney contracts	1,061,700
GROSS APPROPRIATION	\$ 604,502,200
Appropriated from:	
Interdepartmental grant revenues:	
ADJUSTED GROSS APPROPRIATION	\$ 604,502,200
Appropriated from:	
Federal revenues:	
Total federal revenues	361,892,500
Special revenue funds:	
Private-children's benefit fund donations	21,000
Private-collections	5,054,600
Local funds - county payback	35,111,300
Children's trust fund	3,306,900
State general fund/general purpose	\$ 199,115,900
Sec. 105. JUVENILE JUSTICE SERVICES	
Full-time equated classified positions	960.1
Child care fund	\$ 139,500,000
Child care fund administration—7.5 FTE positions	884,000
Juvenile justice operations—932.6 FTE positions	82,215,700
Federally funded activities—12.0 FTE positions	1,865,200
W.J. Maxey memorial fund	45,000
Juvenile accountability incentive block grant—4.0 FTE positions	8,436,200
Juvenile boot camp program	1,600,000
Committee on juvenile justice administration—4.0 FTE positions	464,800
Committee on juvenile justice grants	5,000,000
GROSS APPROPRIATION	\$ 240,010,900
Appropriated from:	
Federal revenues:	
Total federal revenues	35,553,500
Special revenue funds:	
Total private revenues	645,000
Local funds - county payback	30,668,600
State general fund/general purpose	\$ 173,143,800
Sec. 106. LOCAL OFFICE STAFF AND OPERATIONS	
Full-time equated classified positions	9,778.4
Field staff, salaries and wages—9,627.9 FTE positions	\$ 401,875,600
Contractual services, supplies, and materials	27,936,400
Outstationed eligibility workers—60.0 FTE positions	5,392,500
Food stamp reinvestment	5,700,000
Wayne County gifts and bequests	100,000
Volunteer services and reimbursement—90.5 FTE positions	7,455,300
GROSS APPROPRIATION	\$ 448,459,800
Appropriated from:	
Federal revenues:	
Total federal revenues	283,245,050

	For Fiscal Year Ending Sept. 30, 2003
Special revenue funds:	
Local funds - donated funds.....	193,100
Private funds - Wayne County gifts	100,000
Private funds - hospital contributions.....	2,696,250
State general fund/general purpose	\$ 162,225,400
Sec. 107. DISABILITY DETERMINATION SERVICES	
Full-time equated classified positions	620.0
Disability determination operations—594.0 FTE positions	\$ 69,460,300
Medical consultation program—21.0 FTE positions	3,083,700
Retirement disability determination—5.0 FTE positions	828,800
GROSS APPROPRIATION.....	\$ 73,372,800
Appropriated from:	
Interdepartmental grant revenues:	
Department of management and budget - office of retirement systems	828,800
ADJUSTED GROSS APPROPRIATION	\$ 72,544,000
Federal revenues:	
Total federal revenues	69,466,000
State general fund/general purpose	\$ 3,078,000
Sec. 108. CENTRAL SUPPORT ACCOUNTS	
Rent	\$ 45,802,900
Occupancy charge	11,399,300
Grand tower facility reimbursement.....	2,150,000
Travel.....	7,189,100
Equipment.....	1,087,400
Worker's compensation	5,391,600
Advisory commissions	17,900
Payroll taxes and fringe benefits	179,687,900
GROSS APPROPRIATION.....	\$ 252,726,100
Appropriated from:	
Federal revenues:	
Total federal revenues	161,702,800
Special revenue funds:	
Local funds - county payback	304,400
State general fund/general purpose	\$ 90,718,900
Sec. 109. PUBLIC ASSISTANCE	
Full-time equated classified positions	10.0
Family independence program	\$ 376,339,600
Transitional work support	5,000,000
State disability assistance payments.....	22,139,900
Food assistance program benefits.....	833,011,200
State supplementation	59,038,000
State supplementation administration.....	2,624,300
Homestead property tax credit for low-income families.....	50,000,000
Low-income energy assistance program—10.0 FTE positions	86,003,600
State emergency relief.....	45,187,100
Weatherization assistance.....	10,900,000
Day care services.....	466,910,000
GROSS APPROPRIATION.....	\$ 1,957,153,700
Appropriated from:	
Interdepartmental grant revenues:	
ADJUSTED GROSS APPROPRIATION	\$ 1,957,153,700
Appropriated from:	
Federal revenues:	
Total federal revenues	1,422,469,900
Special revenue funds:	
Child support collections	48,149,300

	For Fiscal Year Ending Sept. 30, 2003
Supplemental security income recoveries.....	5,104,800
Public assistance recoupment revenue.....	2,300,000
State general fund/general purpose	\$ 479,129,700
Sec. 110. INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 60,494,400
Child support automation	90,571,000
Client services system.....	12,721,200
Data system enhancement	22,040,900
GROSS APPROPRIATION.....	\$ 185,827,500
Appropriated from:	
Interdepartmental grant revenues:	
IDG from ADP.....	150,000
ADJUSTED GROSS APPROPRIATION	\$ 185,677,500
Appropriated from:	
Federal revenues:	
Total federal revenues	124,854,300
Local funds	257,600
Total private revenues	0
Total other state restricted revenues	6,050,500
State general fund/general purpose	\$ 54,515,100
Sec. 111. EARLY RETIREMENT AND BUDGETARY SAVINGS	
Early retirement savings.....	\$ (21,301,700)
Budgetary savings.....	(8,726,500)
Administrative budgetary savings	(4,600,000)
GROSS APPROPRIATION.....	\$ (34,628,200)
Appropriated from:	
Interdepartmental grant revenues:	
ADJUSTED GROSS APPROPRIATION	\$ (34,628,200)
Appropriated from:	
Federal revenues:	
Total federal revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ (34,628,200)

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2002-2003 is \$1,238,611,200.00 and state spending from state resources to be paid to local units of government for fiscal year 2002-2003 is \$207,056,200.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

FAMILY INDEPENDENCE AGENCY

CHILD AND FAMILY SERVICES

Adoption subsidies..... \$ 79,224,300

JUVENILE JUSTICE SERVICES

Child care fund. 123,700,000

County juvenile officers..... 2,973,200

PUBLIC ASSISTANCE

State disability program. 1,158,700

TOTAL \$ 207,056,200

Sec. 202. The appropriations authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this act:

- (a) "ADP" means automated data processing.
- (b) "Department" means the family independence agency.
- (c) "DMB" means the department of management and budget.

(d) "FTE" means full-time equated.

(e) "IDG" means interdepartmental grant.

(f) "Temporary assistance for needy families" or "TANF" or "Title IV-A" means part A of title IV of the social security act, chapter 531, 49 Stat. 620, 42 U.S.C. 601 to 604, 605 to 608, and 609 to 619.

(g) "Title IV-D" means part D of title IV of the social security act, chapter 531, 49 Stat. 620, 42 U.S.C. 651 to 655, 656 to 660, and 663 to 669b.

(h) "Title IV-E" means part E of title IV of the social security act, chapter 531, 49 Stat. 620, 42 U.S.C. 670 to 673, 673b to 679, and 679b.

Sec. 204. The department of civil service shall bill departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 205. (1) A hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from one position to another within a department.

(2) The state budget director shall grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, cause loss of revenue to the state, result in the inability of the state to receive federal funds, or would necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$20,000,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$20,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 207. At least 60 days before beginning any effort to privatize, the department shall submit a complete project plan to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies within 30 months.

Sec. 208. Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this act. This may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on the Internet or an Intranet site. On an annual basis, the department shall provide a cumulative listing of the reports to the house and senate appropriations subcommittees, house and senate fiscal agencies, and policy offices.

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

Sec. 210. The director of each department receiving appropriations in part 1 shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 211. The department may receive and expend advances or reimbursements from the department of state police for the administration of the individual and family grant disaster assistance program. An account shall be established in the department for this purpose when a disaster is declared. The authorization and allotment for the account shall be in the amount advanced or reimbursed from the department of state police.

Sec. 212. In addition to funds appropriated in part 1 for all programs and services, there is appropriated for write-offs of accounts receivable, deferrals, and for prior year obligations in excess of applicable prior year appropriations, an amount equal to total write-offs and prior year obligations, but not to exceed amounts available in prior year revenues or current year revenues that are in excess of the authorized amount.

Sec. 213. (1) The department may retain all of the state's share of food assistance overissuance collections as an offset to general fund/general purpose costs. Retained collections shall be applied against federal funds deductions in all appropriation units where department costs related to the investigation and recoupment of food assistance overissuances are incurred. Retained collections in excess of such costs shall be applied against the federal funds deducted in the executive operations appropriation unit.

(2) The department shall report to the legislature during the senate and house budget hearings on the status of the food stamp error rate. The report shall include at least all of the following:

- (a) An update on federal sanctions and federal requirements for reinvestment due to the food stamp error rate.
- (b) Review of the status of training for employees who administer the food assistance program.
- (c) An outline of the past year's monthly status of worker to food stamp cases and monthly status of worker to food stamp applications.
- (d) Information detailing the effect and change in staffing due to the early retirement option.
- (e) Corrective action through policy, rules, and programming being taken to reduce the food stamp error rate.
- (f) Any other information regarding the food stamp error rate, including information pertaining to technology and computer applications used for the food assistance program.

Sec. 214. (1) The department shall submit a report to the chairpersons of the senate and house appropriations subcommittees on the family independence agency budget and to the senate and house fiscal agencies on the details of allocations within program budgeting line items and within the salaries and wages line items in the field services appropriation unit. The report shall include a listing, by account, dollar amount, and fund source, of salaries and wages; longevity and insurance; retirement; contractual services, supplies, and materials; equipment; travel; and grants within each program line item appropriated for the fiscal year ending September 30, 2003.

(2) On a bimonthly basis, the department shall report on the number of FTEs in pay status by type of staff.

Sec. 215. If a legislative objective of this act or the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented without loss of federal financial participation because implementation would conflict with or violate federal regulations, the department shall notify the state budget director, the house and senate appropriations committees, and the house and senate fiscal agencies of that fact. Upon receipt of the notification, a joint house and senate committee made up of the members of the house and senate appropriations subcommittees dealing with appropriations for the family independence agency may be appointed to meet with the director of the department to review the substantive, procedural, and legal ramifications of the legislative objective and to develop a plan to attain that legislative objective.

Sec. 218. (1) The department shall prepare a semiannual report on the temporary assistance for needy families (TANF) federal block grant. The report shall include projected expenditures for the current fiscal year, an accounting of any previous year funds carried forward, and a summary of all interdepartmental or interagency agreements relating to the use of TANF funds. The report shall be forwarded to the state budget director and the house and senate appropriations subcommittees on the family independence agency budget, the house and senate fiscal agencies, and policy offices on or before January 15, 2003 and May 15, 2003.

(2) The state budget director shall give prior written notice to the members of the house and senate appropriations subcommittees for the family independence agency and to the house and senate fiscal agencies of any proposed changes in utilization or distribution of TANF funding or the distribution of TANF maintenance of effort spending relative to the amounts reflected in the annual appropriations acts of all state agencies where TANF funding is appropriated.

Sec. 220. (1) In contracting with faith-based organizations for mentoring or supportive services, and in all contracts for services, the department shall ensure that no funds provided directly to institutions or organizations to provide services and administer programs shall be used or expended for any sectarian activity, including sectarian worship, instruction, or proselytization.

(2) If an individual requests the service and has an objection to the religious character of the institution or organization from which the individual receives or would receive services or assistance, the department shall provide the individual within a reasonable time after the date of the objection with assistance or services and which are substantially the same as the service the individual would have received from the organization.

(3) Notwithstanding subsections (1) and (2), the department shall cooperate with faith-based organizations so that they are able to compete on the same basis as any other private organization for contracts to provide services to recipients of department services, including, but not limited to, mentoring or supportive services. The department shall not discriminate against an organization that applies to become a contractor on the basis that the organization has a religious character.

(4) The department shall follow guidelines related to faith-based involvement established in section 104 of title I of the personal responsibility and work opportunity reconciliation act of 1996, Public Law 104-193, 42 U.S.C. 604a.

Sec. 221. If the revenue collected by the department from private and local sources exceeds the amount appropriated in part 1, the revenue may be carried forward, with approval from the state budget director, into the subsequent fiscal year.

Sec. 223. (1) The department shall make a determination of Medicaid eligibility not later than 60 days after all information to make the determination is received from the applicant when disability is an eligibility factor. For all other Medicaid applicants, the department shall make a determination of Medicaid eligibility not later than 45 days after all information to make the determination is received from the applicant.

(2) The family independence agency shall analyze the efficacy of centralized monthly processing of Medicaid spend-down paperwork for clients whose monthly income amount is stable. The department shall present the findings of the analysis to the senate and house appropriations subcommittees on the family independence agency, during budget deliberations, and distribute the findings to the senate and house standing committees on human services matters, senate and house fiscal agencies, and policy offices.

Sec. 227. The family independence agency, with the approval of the state budget director, is authorized to realign sources of financing authorizations in order to maximize temporary assistance for needy families' maintenance of effort countable expenditures. This realignment of financing shall not be made until 15 days after notifying the chairs of the house and senate appropriations subcommittees on the family independence agency and house and senate fiscal agencies, and shall not produce an increase or decrease in any line-item expenditure authorization.

Sec. 259. (1) From the funds appropriated in part 1 for information technology, the department shall pay user fees to the department of information technology for technology related services and projects. User fees shall be subject to provisions of an interagency agreement between the department and the department of information technology.

(2) By October 15, 2002, the family independence agency shall report on the interagency agreement with the department of information technology to the house and senate appropriations subcommittees for the family independence agency budget, house and senate fiscal agencies, and policy offices. The report shall include the base service priorities in the agreement including, but not limited to, the following:

- (a) Name and description of base service.
- (b) Detail goals and objectives related to each base service.
- (c) Cost of each base service.
- (d) Time frame for implementation or completion of base service.

(3) Individual projects within the interagency agreement with a cost of \$500,000.00 or greater must be reported to the house and senate appropriations subcommittees for the family independence agency budget, house and senate fiscal agencies, and policy offices.

(4) As used in this section, "base services" means all services to be supplied by the department of information technology that are to be purchased by the family independence agency under the provisions of the interagency agreement.

Sec. 260. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 261. The department shall consult with the house and senate appropriations subcommittees on the family independence agency regarding the planned restructuring of local offices in response to 2002 PA 93. Issues to be covered shall include service delivery structure, facility needs, and administrative support. Any plan presented shall ensure that the department provides a presence and services in every county.

Sec. 263. The department shall replace all foster care workers and child protection services workers who take an early retirement on a 1-to-1 ratio.

Sec. 264. Provided that an employee does not violate federal or state laws, breach confidentiality, violate civil service rules, or represent a formal department position without prior written authorization, the family independence agency shall ensure that all department employees, while on their personal time, are permitted to have appropriate communications with legislators and their staff.

Sec. 265. (1) The negative appropriation for early retirement savings in part 1 shall be satisfied by savings realized from not filling all of the positions lost due to the early retirement plan for state employees enacted in 2002 PA 93 amendments to the state employees retirement act, 1943 PA 240, MCL 38.1 to 38.69.

(2) The negative appropriation for budgetary savings in part 1 shall be satisfied by savings from the hiring freeze imposed under section 205, efficiencies, and other savings identified by the department director and approved by the state budget director.

(3) Appropriation authorization adjustments required due to negative appropriations for early retirement savings and budgetary savings shall be made only after the approval of transfers by the legislature pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 268. (1) Subject to subsection (2), in addition to the amounts appropriated under part 1, the following amounts are appropriated for the fiscal year ending September 30, 2003:

- (a) \$600,000.00 is appropriated to multicultural assimilation programs from the state general fund.
- (b) \$4,600,000.00 is appropriated to administrative budgetary savings from the state general fund.

(2) The appropriations in subsection (1) shall become effective only if the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 30 cents or more per pack of cigarettes on or before September 30, 2002.

(3) Appropriation authorization adjustments required due to negative appropriations for administrative budgetary savings shall be made only after the approval of transfers by the legislature pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

EXECUTIVE OPERATIONS

Sec. 301. (1) The department may distribute cash assistance to recipients electronically by using debit cards.

(2) The department shall appropriate up to \$4,300,000.00 for the annual school clothing allowance. The allowance shall be granted to all eligible children 4 to 18 years of age. The department shall encourage all recipients of the annual school clothing allowance to consider using that allowance at consignment stores or other stores that provide discounts to program recipients.

Sec. 302. The appropriation in part 1 for the Michigan commission for the blind includes funds for case services. These funds may be used for tuition payments for blind clients for the school year beginning September 2002.

Sec. 303. The appropriation in part 1 for commissions and boards may be used for per diem payments to members of commissions or boards for a full day of committee work at which a quorum is present for performing official business as authorized by each respective commission or board. The per diem payment for the Michigan commission for the blind shall be at a rate of \$50.00 per day.

FAMILY INDEPENDENCE SERVICES ADMINISTRATION

Sec. 401. (1) From the federal money received for child support incentive payments, up to \$10,415,700.00 shall be retained by the state and expended for legal support contracts and child support program expenses.

(2) In addition to the amount retained in subsection (1), additional incentives may be retained and used by the state for special, enhanced, or centralized initiatives or services that are reasonably calculated by the department, in consultation with the state court administrative office and the state budget office, to result in an equivalent or greater increase in child support collections or child support incentive payments received from the federal government. If payment from the federal government for collection performance incentives exceeds the amount received by the state for the fiscal year 2000, the amount in excess for the fiscal year 2000 payment shall be apportioned to the counties and the state in the same proportion as the base amount.

(3) At the end of the current fiscal year, the department may, when it is cost beneficial to the state and counties, withhold from submitting to the federal office of child support administrative expenses eligible for federal financial participation. The department may recoup earned but unclaimed federal funds from the resulting increased federal child support incentive. The recoupment by the department shall be made prior to distribution of the increased incentive to the counties. Any incentive funds retained by the state under this section shall be separate and apart from incentive funds retained in any other section of this act.

(4) A county shall not be penalized due to the failure to comply with federal child support enforcement system requirements if the department determines that all of the following conditions are met:

(a) The county, friend of the court, and the department have a written agreement that outlines the county's commitment to participate in the system.

(b) The county and the friend of the court are fully and timely cooperating with the work plan outlined in the child support enforcement memorandum of understanding between the department and the county.

(c) The county and the friend of the court are implementing the child support enforcement system required for federal certification.

(d) The friend of the court and county prosecuting attorney's office use the statewide system upon availability to monitor and process title IV-D cases.

(5) In addition to the amount specified in subsection (1), the family independence agency may retain any federal title IV-D incentive payment revenues withheld from counties pursuant to the imposition of financial penalties, and may use the federal revenues retained for any child support program purpose.

Sec. 403. Not later than September 30 of each year, the department shall submit for public hearing to the chairpersons of the house and senate appropriations subcommittees dealing with appropriations for the family independence agency the proposed use and distribution plan for community services block grant funds appropriated in part 1 for the succeeding fiscal year.

Sec. 404. The department shall develop a plan based on recommendations from the department of civil rights and from Native American organizations to assure that the community services block grant funds are equitably distributed. The plan must be developed by October 31, 2002, and the plan shall be delivered to the appropriations subcommittees on the family independence agency in the house and senate.

Sec. 407. From the funds appropriated in part 1 for family preservation and prevention services, the family independence agency shall contract with Created for Caring for \$150,000.00 in TANF funds allowable services. The department is authorized to make allocations of TANF funds only to the agency if that agency reports necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. The use of TANF funds under this section should not be considered an ongoing commitment of funding.

Sec. 412. If title IV-D-related child support collections are escheated, the state budget director is authorized to adjust the sources of financing for the funds appropriated in part 1 for legal support contracts to reduce federal authorization by 66% of the escheated amount and increase general fund/general purpose authorization by the same amount. This budget adjustment is required to offset the loss of federal revenue due to the escheated amount being counted as title IV-D program income in accordance with federal regulations at 45 C.F.R. 304.50.

Sec. 413. (1) In addition to the funds appropriated in part 1, there is hereby appropriated up to \$28,785,700.00. This appropriation is contingent upon the receipt of a refund from the federal government related to penalties previously imposed for the child support enforcement system and upon certification from the state budget director that the funds are available for expenditure. Of this amount, up to: \$2,700,000.00 may be used to continue before- or after-school programs; \$8,785,700.00 may be used for the child support enforcement system; \$4,300,000.00 may be used for the family independence program school clothing allowance; \$650,000.00 may be used to supplement community services block grant funding for community action agencies; \$500,000.00 may be used to support a fatherhood initiative; \$4,300,000.00 may be used for family independence program caseload, state disability assistance, and child care fund costs; \$250,000.00 may be used to fund the food bank council; \$50,000.00 may be used to support the Michigan marriage and fatherhood commission; \$3,000,000.00 may be used to fund the transitional work support program; \$150,000.00 may be used for the northern Michigan Miracle Manor, an addiction treatment and rehabilitation services program for homeless women with dependent children; \$250,000.00 may be used for establishment or enhancement of domestic violence supervised parenting time centers; \$150,000.00 may be used for 3 emergency homeless shelter case management pilot programs; \$100,000.00 may be used for a Medicaid spend-down analysis; \$600,000.00 may be used for multicultural assimilation programs; and \$3,000,000.00 may be used for contracts, services, supplies, and materials.

(2) The funds appropriated in subsection (1) shall be considered 1-time authority.

Sec. 414. (1) Of the funds appropriated in part 1 for community services block grants, \$2,350,000.00 represents TANF funding earmarked for community action agencies.

(2) From the funds appropriated in part 1 for community services block grants, the department is authorized to make allocations of TANF funds only to the community action agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. The use of TANF funds under this section should not be considered an ongoing commitment of funding.

Sec. 415. (1) From the funds appropriated in part 1 for employment and training support services, the family independence agency shall expend up to \$500,000.00 in TANF to fund a fatherhood initiative. The department may choose providers that will work with counties to help eligible fathers under TANF guidelines to acquire skills that will enable them to increase their responsible behavior toward their children and the mothers of their children. An increase of financial support for their children should be a very high priority as well as emotional support. Program components may include, but are not limited to, parental guidance, infant care, food preparation, effective communication, anger management, children's financial support, respect, drug-free lifestyle, and referrals to employment services.

(2) The providers will measure outcomes as agreed upon by the department and based on required TANF reporting guidelines.

(3) The department is authorized to make allocations of TANF funds, of not more than 20% per county, under this section only to agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. The use of TANF funds under this section should not be considered an ongoing commitment of funding.

Sec. 416. (1) From the funds appropriated in part 1 for employment and training support services, the family independence agency may expend up to \$250,000.00 in TANF to fund a marriage initiative. The department may choose providers to work with counties that will work to support and strengthen marriages of those eligible under the TANF guidelines. The areas of work may include, but are not limited to, marital counseling, domestic violence counseling, family counseling, effective communication, and anger management as well as parenting skills to improve the family structure.

(2) The providers will measure outcomes as agreed upon by the department and based on required TANF reporting guidelines.

(3) The department is authorized to make allocations of TANF funds, of not more than 20% per county, under this section only to agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. The use of TANF funds under this section should not be considered an ongoing commitment of funding.

(4) The department shall choose only providers who are licensed through the department of consumer and industry services and who meet the standards of the public health code, 1978 PA 368, MCL 333.1101 to 333.25211.

CHILD AND FAMILY SERVICES

Sec. 501. The following goal is established by state law. During the fiscal year ending September 30, 2003, not more than 3,000 children supervised by the department shall remain in foster care longer than 24 months. The department shall give priority to reducing the number of children under 1 year of age in foster care.

Sec. 502. From the funds appropriated in part 1 for foster care, the department shall provide 50% reimbursement to Indian tribal governments for foster care expenditures for children who are under the jurisdiction of Indian tribal courts and who are not otherwise eligible for federal foster care cost sharing.

Sec. 503. The department shall continue adoption subsidy payments to families after the eighteenth birthday of an adoptee who meets the following criteria:

- (a) Has not yet graduated from high school or passed a high school equivalency examination.
- (b) Is making progress toward completing high school.
- (c) Has not yet reached his or her twenty-first birthday.

Sec. 504. The department's ability to satisfy appropriation deducts in part 1 for foster care private collections shall not be limited to collections and accruals pertaining to services provided only in the current fiscal year but shall include revenues collected during the fiscal year in excess of the amount specified in part 1.

Sec. 508. (1) In addition to the amount appropriated in part 1 for children's trust fund grants, money granted or money received as gifts or donations to the children's trust fund created by 1982 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure in an amount not to exceed \$800,000.00.

(2) The state child abuse and neglect prevention board may initiate a joint project with another state agency to the extent that the project supports the programmatic goals of both the state child abuse and neglect prevention board and the state agency. The department may invoice the state agency for shared costs of a joint project in an amount authorized by the state agency, and the state child abuse and neglect prevention board may receive and expend funds for shared costs of a joint project in addition to those authorized by part 1.

(3) From the funds appropriated in part 1 for children's trust fund, the department may utilize interest and investment revenue from the current fiscal year only for programs, administration, services, or all sanctioned by the child abuse and neglect prevention board.

Sec. 509. (1) From the funds appropriated in part 1, the department shall not expend funds to preserve or reunite a family, unless there is a court order requiring the preservation or reuniting of the family or the court denies the petition, if either of the following would result:

- (a) A child would be living in the same household with a parent or other adult who has been convicted of criminal sexual conduct against a child.
- (b) A child would be living in the same household with a parent or other adult against whom there is a substantiated charge of sexual abuse against a child.

(2) Notwithstanding subsection (1), this section shall not prohibit counseling or other services provided by the department, if the service is not directed toward influencing the child to remain in an abusive environment, justifying the actions of the abuser, or reuniting the family.

Sec. 510. The department shall not be required to put up for bids contracts with service providers if currently only 1 provider in the service area exists.

Sec. 512. From the funds appropriated in part 1 for foster care payments, the department may expend up to \$1,500,000.00 for foster care pilot projects that include ways to increase foster parent recruitment, improve foster parent retention, and increase delivery of training and supportive services to foster parents.

Sec. 513. The department shall not expend funds appropriated in part 1 to pay for the placement of a child in an out-of-state facility unless all of the following conditions are met:

- (a) There is no appropriate placement available in this state.
- (b) The out-of-state facility meets all of the licensing standards of this state for a comparable facility.
- (c) The out-of-state facility meets all of the applicable licensing standards of the state in which it is located.
- (d) The department has done an on-site visit to the out-of-state facility, reviewed the facility records, and reviewed licensing records and reports on the facility and believes that the facility is an appropriate placement for the child.

Sec. 514. The department shall make a comprehensive report concerning children's protective services (CPS) to the legislature, including the senate and house policy offices, by January 1, 2003, that shall include all of the following:

- (a) Statistical information including, at a minimum, all of the following:
 - (i) The total number of reports of abuse or neglect investigated under the child protection law, 1975 PA 238, MCL 722.621 to 722.638, and the number of cases classified under category I or category II and the number of cases classified under category III, category IV, or category V.
 - (ii) Characteristics of perpetrators of abuse or neglect and the child victims, such as age, relationship, socioeconomic status, race, and ethnicity.
 - (iii) The mandatory reporter category in which the individual who made the report fits, or other categorization if the individual is not within a group required to report under the child protection law, 1975 PA 238, MCL 722.621 to 722.638.

(b) New policies related to children's protective services including, but not limited to, major policy changes and court decisions affecting the children's protective services system during the immediately preceding 12-month period.

Sec. 515. From the funds appropriated in part 1 for foster care payments and related administrative costs, the department may implement the federally approved title IV-E child welfare waiver managed care demonstration project.

Sec. 517. (1) From the funds appropriated in part 1 for family preservation and prevention services, the department is authorized to allocate funds to multipurpose collaborative bodies to address issues raised in the Binsfeld children's commission report issued in July 1996. Priority for activities and services will be given to at-risk children and families and cases classified by the department as category III or category IV under sections 8 and 8d of the child protection law, 1975 PA 238, MCL 722.628 and 722.628d.

(2) From the funds appropriated in part 1 for family preservation and prevention services, up to \$4,000,000.00 may be used to fund community-based collaborative prevention services designed to do any of the following:

- (a) Foster positive parenting skills especially for parents of children under 3 years of age.
- (b) Improve parent/child interaction.
- (c) Promote access to needed community services.
- (d) Increase local capacity to serve families at risk.
- (e) Improve school readiness.
- (f) Support healthy family environments that discourage alcohol, tobacco, and other drug use.

(3) The appropriation provided for in subsection (2) is to fund secondary prevention programs as defined in the children's trust fund's pre-application materials for fiscal year 2002-2003 direct services grants.

(4) Projects funded through the appropriation provided for in subsection (2) shall meet all of the following criteria:

(a) Be awarded through a joint request for proposal process established by the department in conjunction with the children's trust fund and the state human services directors.

(b) Be secondary prevention initiatives. Funds are not intended to be expended in cases in which neglect or abuse has been substantiated.

(c) Demonstrate that the planned services are part of a community's integrated comprehensive family support strategy endorsed by the local multipurpose collaborative body.

(d) Provide a 25% local match of which not more than 10% is in-kind goods or services unless the maximum percentage is waived by the state human services directors.

(5) As used in this section, "state human services directors" means the director of the department of community health, the director of the department of education, and the director of the family independence agency.

Sec. 518. (1) The funds appropriated in part 1 for family preservation and prevention services in the 2002-2003 fiscal year reflect strong families/safe children allocations to local multipurpose collaborative bodies that are no less than the allocations in effect on April 1, 1997. The department shall work with the multipurpose collaborative bodies to address high out-of-home placement rates and through collaboration arrange a reward plan, penalty plan, or both, to achieve less child out-of-home placements, including placements for adjudicated youth in residential treatment programs.

(2) In order to maintain this level of funding, the department may use up to \$8,000,000.00 in TANF funds provided that the local multipurpose collaborative bodies submit data to the department that will enable the department to document potential federal claimable expenditures.

(3) No later than March 1, 2003, each local multipurpose collaborative body shall submit a report to the department that includes the number of people receiving strong families/safe children services, including services to adjudicated youth and their families, the local goals for this program, and a measure of the effectiveness in meeting these goals.

(4) The department shall provide during budget deliberation hearings the compilation of reports from the multipurpose collaborative bodies outlined in subsection (3).

Sec. 519. From the funds appropriated in part 1 for foster care payments, Wayne County foster care payments, and adoption support services, the department shall increase the rate of payments for child placing agencies and residential treatment facilities by 1% effective April 1, 2003. The rate increase may be used to support foster and adoptive parent resource centers.

Sec. 520. It is the intent of the legislature that the funds appropriated in part 1 for kinship care in the fiscal year ending September 30, 2003, reflect the legislature's commitment to reduce the benefit discrepancy between kinship care and a similar family size within the family independence agency program (FIP). The legislature recognizes the commitment of relatives to provide family continuity, nurturance, and care for this special population of children who can no longer remain in their parents' care due to abuse, neglect, or other social problems.

Sec. 523. (1) From the funds appropriated in part 1 for youth in transition, domestic violence prevention and treatment, and teenage parent counseling, the department is authorized to make allocations of TANF funds only to the agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. The use of TANF funds under this section should not be considered an ongoing commitment of funding.

(2) The agencies receiving teenage parent counseling TANF funds shall report to the family independence agency on both of the following:

- (a) Whether program services have impacted the following issues areas:
 - (i) The number of teen participants having fewer repeat pregnancies.
 - (ii) The completion rate for high school diplomas or GEDs.
 - (iii) The teen participants' rate of self-sufficiency.

(b) How many teens participate in the programs and have access to any or all of the following services:

(i) Adult supervised, supportive living arrangements.

(ii) Pregnancy prevention services or referrals.

(iii) Required completion of high school or receipt of GED, including child care to assist young mothers to focus on achievement.

(iv) Support services, including, but not limited to, health care, transportation, and counseling.

(v) Parenting and life-skills training.

(vi) Education, job training, and employment services.

(vii) Transition services in order to achieve self-sufficiency.

(viii) Instruction on self-protection.

Sec. 524. The department shall submit to the senate and house appropriations subcommittees on the family independence agency, the senate and house standing committees having jurisdiction over human services matters, the senate and house fiscal agencies, and the senate and house policy offices an annual report, beginning April 2, 2002, detailing the status of the prevention services program.

Sec. 530. Of funds available for foster care recruitment pilots, the department shall develop and implement foster parent recruitment and retention programs. The programs shall focus on diversity of foster parents, and recruitment of homes appropriate for teens and other high-risk placements. The programs should draw from models including, but not limited to, one church one child, foster home mentoring, neighborhood-based recruitment, and multimedia outreach.

Sec. 531. (1) From the funds appropriated in part 1, the family independence agency may make claims for and pay to local units of government a portion of federal title IV-E revenues earned as a result of eligible costs incurred by local units of government.

(2) The family independence agency shall make payments under subsection (1) only to local units of government which have entered into formal agreements with the family independence agency. Such agreement must include all of the following:

(a) Provide for the family independence agency to retain 50% of the federal revenues earned.

(b) Provide for agency review and approval of the local unit's plan for allocating costs to title IV-E.

(c) Provide for the local unit of government to submit bills at times, and in the format, specified by the family independence agency.

(d) Specify that the local unit of government is responsible for meeting all federal title IV-E regulation requirements, including reporting requirements, with regard to the activities and costs being billed to title IV-E.

(e) Provide for the local unit of government to pay the state for the amount of any federal revenues paid to the local unit which may subsequently be disallowed by the federal government.

(f) Be signed by the director of the department, the chief executive officer of the local government agency providing the title IV-E services, the chair of the county board of commissioners, and the chief executive officer of the county.

Sec. 532. The family independence agency, in collaboration with the department of consumer and industry services and representatives of the Michigan federation of private child and family agencies, shall review policies, practices, and procedures involving the annual licensing review conducted by the department of consumer and industry services and the annual contract compliance review conducted by the department regarding child placing agencies and child caring institutions. The review shall include efforts to identify duplication of staff activities and information sought from child placing agencies and child caring institutions in the annual review process. The department shall report on its findings, conclusions, and any actions taken to ensure the maximum feasible coordination and efficiency in conducting these reviews. The report shall be presented to the senate and house appropriations subcommittees on the family independence agency and the department of consumer and industry services, the senate and house fiscal agencies, and the senate and house policy offices by April 1, 2003.

Sec. 533. The family independence agency shall make payments to private nonprofit child placing facilities for title IV-E out-of-home care services within 30 days of receiving all necessary documentation from those agencies.

Sec. 534. Funding not distributed from the teen pregnancy prevention pilot performance bonus may be used to support teen pregnancy prevention programs in the city of Pontiac.

Sec. 535. It is the intent of the legislature that the department shall review the merits of increasing the per month guardianship fee.

Sec. 536. The family independence agency shall not implement a geographically based assignment system for foster care unless determined to be in the best interests of the foster children.

Sec. 537. The department shall offer private nonprofit licensed agencies the first opportunity to provide foster care services for new foster children entering the system in a county when the department's direct care caseload for foster care is greater than 20 cases per foster care worker. This section shall only apply if the private nonprofit licensed agency has an available placement at the time the child needs to be placed and the placement is not contrary to the best interests of the child or the child's siblings.

Sec. 539. The family independence agency shall work in collaboration with representatives from private nonprofit child placing agencies to ensure appropriate placement for children who have been adjudicated abused, neglected, or

delinquent and for whom residential treatment is required. The department and the representatives from the private nonprofit child placing agencies shall focus on statewide placement criteria to address the best interest of the child in need of services.

PUBLIC ASSISTANCE

Sec. 601. (1) The department may terminate a vendor payment for shelter upon written notice from the appropriate local unit of government that a recipient's rental unit is not in compliance with applicable local housing codes or when the landlord is delinquent on property tax payments. A landlord shall be considered to be in compliance with local housing codes when the department receives from the landlord a signed statement stating that the rental unit is in compliance with local housing codes and that statement is not contradicted by the recipient and the local housing authority. The department shall terminate vendor payments if a taxing authority notifies the department that taxes are delinquent.

(2) Whenever a client agrees to the release of his or her name and address to the local housing authority, the department shall request from the local housing authority information regarding whether the housing unit for which vendoring has been requested meets applicable local housing codes. Vendoring shall be terminated for those units that the local authority indicates in writing do not meet local housing codes until such time as the local authority indicates in writing that local housing codes have been met.

(3) In order to participate in the rent vendoring programs of the department, a landlord shall cooperate in weatherization and conservation efforts directed by the department or by an energy provider participating in an agreement with the department when the landlord's property has been identified as needing services.

Sec. 603. (1) The department, as it determines is appropriate, shall enter into agreements with energy providers by which cash assistance recipients and the energy providers agree to permit the department to make direct payments to the energy providers on behalf of the recipient. The payments may include heat and electric payment requirements from recipient grants and amounts in excess of the payment requirements.

(2) The department shall establish caps for natural gas, wood, electric heat service, deliverable fuel heat services, and for electric service based on available federal funds.

(3) The department shall negotiate with positive billing utility companies to develop extended payment plans. Such plans shall allow clients who terminate from positive billing due to increased income to make monthly payments in order to gradually liquidate utility arrears.

(4) It is the intent of the legislature that the department review and adjust the standard utility allowance for the state food assistance program to ensure that it reflects current energy costs in the state.

Sec. 604. (1) The department shall operate a state disability assistance program. Except as provided in subsection (3), persons eligible for this program shall include needy citizens of the United States or aliens exempted from the supplemental security income citizenship requirement who are at least 18 years of age or emancipated minors meeting 1 or more of the following requirements:

(a) A recipient of supplemental security income, social security, or medical assistance due to disability or 65 years of age or older.

(b) A person with a physical or mental impairment which meets federal supplemental security income disability standards, except that the minimum duration of the disability shall be 90 days. Substance abuse alone is not defined as a basis for eligibility.

(c) A resident of an adult foster care facility, a home for the aged, a county infirmary, or a substance abuse treatment center.

(d) A person receiving 30-day postresidential substance abuse treatment.

(e) A person diagnosed as having acquired immunodeficiency syndrome.

(f) A person receiving special education services through the local intermediate school district.

(g) A caretaker of a disabled person as defined in subdivision (a), (b), (e), or (f) above.

(2) Applicants for and recipients of the state disability assistance program shall be considered needy if they:

(a) Meet the same asset test as is applied to applicants for the family independence program.

(b) Have a monthly budgetable income that is less than the payment standards.

(3) Except for a person described in subsection (1)(c) or (d), a person is not disabled for purposes of this section if his or her drug addiction or alcoholism is a contributing factor material to the determination of disability. "Material to the determination of disability" means that, if the person stopped using drugs or alcohol, his or her remaining physical or mental limitations would not be disabling. If his or her remaining physical or mental limitations would be disabling, then the drug addiction or alcoholism is not material to the determination of disability and the person may receive state disability assistance. Such a person must actively participate in a substance abuse treatment program, and the assistance must be paid to a third party or through vendor payments. For purposes of this section, substance abuse treatment includes receipt of inpatient or outpatient services or participation in alcoholics anonymous or a similar program.

(4) A refugee or asylee who loses his or her eligibility for the federal supplemental security income program by virtue of exceeding the maximum time limit for eligibility as delineated in section 402 of title IV of the personal

responsibility and work opportunity reconciliation act of 1996, Public Law 104-193, 8 U.S.C. 1612, and who otherwise meets the eligibility criteria under this section shall be eligible to receive benefits under the state disability assistance program.

Sec. 605. The level of reimbursement provided to state disability assistance recipients in licensed adult foster care facilities shall be the same as the prevailing supplemental security income rate under the personal care category.

Sec. 606. County family independence agencies shall require each recipient of state disability assistance who has applied with the social security administration for supplemental security income to sign a contract to repay any assistance rendered through the state disability assistance program upon receipt of retroactive supplemental security income benefits.

Sec. 607. The department's ability to satisfy appropriation deductions in part 1 for state disability assistance/supplemental security income recoveries and public assistance recoupment revenues shall not be limited to recoveries and accruals pertaining to state disability assistance, or family independence assistance grant payments provided only in the current fiscal year, but shall include all related net recoveries received during the current fiscal year.

Sec. 608. Adult foster care facilities providing domiciliary care or personal care to residents receiving supplemental security income or homes for the aged serving residents receiving supplemental security income shall not require those residents to reimburse the home or facility for care at rates in excess of those legislatively authorized. To the extent permitted by federal law, adult foster care facilities and homes for the aged serving residents receiving supplemental security income shall not be prohibited from accepting third-party payments in addition to supplemental security income provided that the payments are not for food, clothing, shelter, or result in a reduction in the recipient's supplemental security income payment.

Sec. 609. The state supplementation level under the supplemental security income program for the personal care/adult foster care and home for the aged categories shall not be reduced during the fiscal year beginning October 1, 2002 and ending September 30, 2003.

Sec. 610. In developing good cause criteria for the state emergency relief program, the department shall grant exemptions if the emergency resulted from unexpected expenses related to maintaining or securing employment.

Sec. 611. (1) The department shall not require providers of burial services to accept state payment for indigent burials as payments in full. Each provider shall be permitted to collect additional payment from relatives or other persons on behalf of the deceased. The total in additional payments shall not exceed \$2,600.00.

(2) Any additional payment collected pursuant to subsection (1) shall not increase the maximum charge limit for state payment as established by law.

Sec. 612. For purposes of determining housing affordability eligibility for state emergency relief, a group is considered to have sufficient income to meet ongoing housing expenses if their total housing obligation does not exceed 75% of their total net income.

Sec. 613. (1) From the funds appropriated in part 1 for state emergency relief, the maximum allowable charge limit for indigent burials shall be \$1,114.00. The funds shall be distributed as follows: \$710.00 for funeral directors; \$234.00 for cemeteries or crematoriums; and \$170.00 for the provider of the vault.

(2) On December 31, 2002, participating funeral home directors or cemeteries or crematoriums shall submit on a quarterly basis a report on a form made available by the department that includes all of the following information:

(a) The number of indigent burials performed.

(b) The cost of services rendered for each indigent burial performed.

(c) The total reimbursement received from the state for indigent burials.

(d) The amount the participating provider received from families toward indigent burials.

(e) All other sources of reimbursement received by the participating providers shall be documented individually for indigent burials.

(f) The percentage of total burials performed by the provider that represents indigent burials.

(3) The department shall report on an annual basis on the information received from participating providers under subsection (2). The department shall submit the report to the state budget director, the chairpersons of the senate and house appropriations committees, the chairpersons of the senate and house appropriations subcommittees on the family independence agency, the senate and house fiscal agencies, and the senate and house policy offices.

Sec. 614. The funds available in part 1 for burial services shall be available if the deceased was an eligible recipient and an application for emergency relief funds was made within 10 days of the burial or cremation of the deceased person. Each provider of burial services shall be paid directly by the department.

Sec. 615. Except as required by federal law or regulations, funds appropriated in part 1 shall not be used to provide public assistance to a person who is an illegal alien. This section shall not prohibit the department from entering into contracts with food banks or emergency shelter providers who may, as a normal part of doing business, provide food or emergency shelter to individuals.

Sec. 616. (1) The appropriation in part 1 for the weatherization program shall be expended in such a manner that at least 25% of the households weatherized under the program shall be households of families receiving 1 or more of the following:

(a) Family independence assistance.

- (b) State disability assistance.
- (c) Food assistance.
- (d) Supplemental security income.

(2) Any unencumbered balances of the weatherization program shall not lapse and may be carried forward to fiscal year 2004.

Sec. 617. In operating the family independence program with funds appropriated in part 1, the department shall not approve as a minor parent's adult supervised household a living arrangement in which the minor parent lives with his or her partner as the supervising adult.

Sec. 618. The department may only reduce, terminate, or suspend assistance provided under the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, without prior notice in 1 or more of the following situations:

- (a) The only eligible recipient has died.
- (b) A recipient member of a program group or family independence assistance group has died.
- (c) A recipient child is removed from his or her family home by court action.
- (d) A recipient requests in writing that his or her assistance be reduced, terminated, or suspended.
- (e) A recipient has been approved to receive assistance in another state.
- (f) A change in either state or federal law that requires automatic grant adjustments for classes of recipients.

Sec. 619. The department shall exempt from the denial of title IV-A assistance and food assistance benefits, contained in section 115 of title I of the personal responsibility and work opportunity reconciliation act of 1996, Public Law 104-193, 21 U.S.C. 862a, any individual who has been convicted of a felony that included the possession, use, or distribution of a controlled substance, after August 22, 1996, provided that the individual is not in violation of his or her probation or parole requirements. Benefits shall be provided to such individuals as follows:

- (a) A third-party payee or vendor shall be required for any cash benefits provided.
- (b) An authorized representative shall be required for food assistance receipt.

Sec. 621. Funds appropriated in part 1 may be used to support multicultural assimilation and support services. The department shall distribute all of the funds described in this section based on assessed community needs.

Sec. 624. The department shall maintain a plan to provide for the implementation of temporary assistance for needy families-funded individual development accounts.

Sec. 625. The department in collaboration with the Michigan state university center for urban affairs and its partner organizations, the Michigan credit union league and the national federation of community development credit unions, shall further the work begun in fiscal year 1999-2000 that implemented the individual development accounts programs in the growing number of low-income designated credit unions, i.e., community development credit unions (CDCUs) located in this state's poorest communities. This further work will extend capacity-building and technical assistance services to existing and emerging CDCUs serving low-income populations and will include:

(a) Creation of a Michigan-based support system for the capacity-building of existing and emerging CDCUs serving low-income individuals and families, including development and testing of training, technical assistance, and professional development initiatives and related materials, and other capacity-building services to Michigan CDCUs.

(b) Other related support to assist existing and emerging CDCUs in becoming self-supporting institutions to assist impoverished Michigan residents in becoming economically independent.

(c) Training and technical assistance to CDCUs in the development of support services, such as economic literacy, credit counseling, budget counseling, and asset management programs for low-income individuals and families.

Sec. 627. (1) From the funds appropriated in section 109 for day care services, the department shall contract to administer an amount not to exceed \$1,350,000.00 for the "enhance quality improvement program" (EQUIP) grants. A priority for the expenditure of EQUIP funds shall be given to providers to expand access to child care, specifically 24-hour care and weekend care. A child care program shall not be eligible for an EQUIP grant unless 25% or more of its clients receive day care payments from the department.

(2) From the funds appropriated in part 1 for day care services, the department shall establish an additional fund of at least \$350,000.00 for a grant pool for an "enhance quality improvement program" (EQUIP) specifically to establish new family and group home day care providers.

Sec. 631. The department shall maintain policies and procedures to achieve all of the following:

(a) The identification of individuals on entry into the system who have a history of domestic violence, while maintaining the confidentiality of that information.

(b) Referral of persons so identified to counseling and supportive services.

(c) In accordance with a determination of good cause, the waiving of certain requirements of family independence programs where compliance with those requirements would make it more difficult for the individual to escape domestic violence or would unfairly penalize individuals who have been victims of domestic violence or who are at risk of further domestic violence.

Sec. 632. The department shall calculate the food assistance allotment for applicants who are United States citizens and who live in a household with legal immigrants in a manner that maximizes the food assistance available to these United States citizens under federal law.

Sec. 635. Within 6 business days of receiving all information necessary to process an application for payments for child day care, the family independence agency shall determine whether the child day care provider to whom the payments, if approved, would be made, is listed on the child abuse and neglect central registry. If the provider is listed on the central registry, the family independence agency shall immediately send written notice denying the applicant's request for child day care payments.

Sec. 640. (1) From the funds appropriated in part 1 for day care services, the family independence agency shall expend up to \$8,000,000.00 to provide infant and toddler incentive payments to child day care providers serving children from 0 to 2-1/2 years of age who meet licensing or training requirements.

(2) The use of the funds under this section should not be considered an ongoing commitment of funding.

Sec. 643. As a condition of receipt of federal TANF funds, homeless shelters shall collaborate with the family independence agency to obtain necessary TANF eligibility information on families as soon as possible after admitting a family to the homeless shelter. From the funds appropriated in part 1 for homeless shelters within state emergency relief, the department is authorized to make allocations of TANF funds only to the agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. Homeless shelters that do not report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements will not receive reimbursements which exceed the per diem amount they received in fiscal year 2000. The use of TANF funds under this section should not be considered an ongoing commitment of funding.

Sec. 645. An individual or family is considered homeless, for purposes of eligibility for state emergency relief, if living temporarily with others in order to escape domestic violence. For purposes of this section, domestic violence is defined and verified in the same manner as in the family independence agency's policies on good cause for not cooperating with child support and paternity requirements.

Sec. 648. From the funds appropriated in part 1 for assistance payments, the department shall continue to make assistance payments to recipients beyond the federal 5-year limit set under the personal responsibility and work opportunity reconciliation act of 1996, Public Law 104-193, 110 Stat. 2105, providing the recipient is complying with asset, income, and participation standards set as a condition of eligibility to receive assistance.

Sec. 653. From the funds appropriated in part 1 for food assistance, an individual who is the victim of domestic violence and does not qualify for any other exemption may be exempt from the 3-month in 36-month limit on receiving food assistance under section 6(o)(6) of the food stamp act of 1977, Public Law 88-525, 7 U.S.C. 2015. This exemption can be extended an additional 3 months upon demonstration of continuing need.

Sec. 657. (1) The department shall continue to offer quality before- or after-school programs that provide youth with a safe, engaging environment to motivate and inspire learning outside the traditional classroom setting. Before-school programs are limited to elementary school-aged children. Effective before- or after-school programs combine academic, enrichment, and recreation activities to guide learning and inspire children and youth in various activities. The before- or after-school programs can meet the needs of the communities served by the programs.

(2) The department shall work in collaboration with independent contractors to put into practice a pilot program establishing quality before- or after-school programs for children in kindergarten to ninth grades. In order for an independent contractor to receive funds, a child served must be a member of a family with an income that does not exceed 200% of the federal poverty guidelines published by the United States department of health and human services.

(3) The department shall allocate through grants or contracts up to \$10,000,000.00 for pilot programs. A county shall receive no more than 20% of the funds appropriated in part 1 for this program. From the funds appropriated in part 1 for before- or after-school pilot programs within day care services, the department is authorized to make allocations of funds only to the agencies that report necessary data to the department for the purpose of meeting TANF and maintenance of effort eligibility reporting requirements. The use of funds under this section should not be considered an ongoing commitment of funding.

(4) The before- or after-school pilot programs shall include, at a minimum, at least 3 of the following topics:

- (a) Abstinence-based pregnancy prevention.
- (b) Chemical abuse and dependency including nonmedical services.
- (c) Gang violence prevention.
- (d) Academic assistance, including assistance with reading and writing.
- (e) Preparation toward future self-sufficiency.
- (f) Leadership development.
- (g) Case management or mentoring.
- (h) Parental involvement.
- (i) Anger management.

(5) The department may enter into grants or contracts with independent contractors including, but not limited to, faith-based organizations, boys or girls clubs, schools, or nonprofit organizations. The department shall grant priority in funding independent contractors who secure at least 10% in matching funds. The matching funds may either be fulfilled through local, state, or federal funds, and/or through in-kind or other donations. An independent contractor who cannot fulfill the match described in this subsection shall not be excluded from applying for a before- or after-school program contract.

(6) A referral to a pilot program may be made by, but is not limited to, any of the following: a teacher, counselor, parent, police officer, judge, or social worker.

(7) By August 30, 2003, the department before- or after-school pilot program expenditures shall be audited and the department shall work in collaboration with independent contractors to provide a report on the before- or after-school pilot program to the senate and house standing committees dealing with human services, the senate and house appropriations subcommittees for the family independence agency budget, the senate and house fiscal agencies, and the senate and house policy offices. The report shall include the number of participants and the average cost per participant, as well as changes noted in program participants in any of the following categories:

- (a) Juvenile crime.
- (b) Aggressive behavior.
- (c) Academic achievement.
- (d) Development of new skills and interests.
- (e) School attendance and dropout rates.
- (f) Behavioral changes in school.

Sec. 660. From the funds appropriated in part 1 for food bank council activities within state emergency relief, the department is authorized to make allocations of TANF funds only to the agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. The agencies that do not report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements will not receive allocations in excess of those received in fiscal year 2000. The use of TANF funds under this section should not be considered an ongoing commitment of funding.

Sec. 661. From the funds appropriated in part 1 for transitional work support, the department shall expend up to \$5,000,000.00 in general fund/general purpose funds to develop and fund a transitional work support program. The department shall provide the house and senate appropriations subcommittees on the family independence agency, the house and senate fiscal agencies, the house and senate policy offices, and the state budget director with a report that includes all of the following:

- (a) The number of participants served.
- (b) The average cost per program participant.
- (c) Any other information that the department considers relevant.

Sec. 665. The department shall continue to partner with the department of transportation to use TANF and other sources of available funding to support public transportation needs of TANF-eligible individuals.

Sec. 666. The department shall develop and implement a plan to increase the participation of eligible family independence program recipients in the federal earned income tax credit.

Sec. 667. The department may expend funds necessary to perform child day care provider background checks from fees collected.

Sec. 668. In coordination with the Michigan alliance of boys and girls clubs, the department shall conduct a pilot program to develop a community-based child care program available to children ages 6 to 15. The pilot shall explore the ability to leverage child care funding by implementation of the SMART moves program, and with matching funds provided by the alliance. The pilot shall be funded through families selecting the program as their provider under the department's child day care programs, and through community-based matching funds.

JUVENILE JUSTICE SERVICES

Sec. 701. The department shall expend a portion of the federal juvenile accountability incentive block grant to support the boot camp program. The remainder of the state allocation of the juvenile accountability incentive block grant shall be used to provide funding to enable juvenile courts, juvenile probation offices, and community-based programs to be more effective and efficient in holding juvenile offenders accountable and reducing recidivism, treating substance abuse problems, and developing community-based alternatives for female offenders and the following:

- (a) To better address gang, drug, and youth violence.
- (b) For training, equipment, and technology.
- (c) For the establishment of programs that protect students and school personnel from drug, gang, and youth violence.

Sec. 702. Expansion of facilities funded under part 1 for juvenile justice services shall not be authorized by the joint capital outlay subcommittee of the appropriations committees until the department has held a public hearing in the community where the facility proposed to be expanded is located.

Sec. 703. A juvenile adjudicated and placed in a state-operated maximum security program funded under part 1 for juvenile justice services shall not be allowed to leave the property of the maximum security facility at which the program is located except when required to leave the property for medical treatment, court appearances, or other good cause approved by the facility director. For purposes of this section, "juvenile" means that term as defined in section 115n of the social welfare act, 1939 PA 280, MCL 400.115n.

Sec. 704. New facilities funded under part 1 for juvenile justice services shall not be located within 1,500 feet of property in use for a K-12 educational program.

Sec. 705. (1) The department shall report on the W.J. Maxey facility to the house and senate appropriations subcommittees on the family independence agency budget as part of their annual budget presentation. The report shall include the following:

(a) Population reintegration goals for juvenile justice wards including, but not limited to, the categorization of positive outcomes and recidivism by age and incarceration type.

(b) Facility media policy to ensure reinforcement and consistency with treatment plans and desired ward outcomes.

(c) Staff and resident safety.

(d) Outcome based service and treatment program plan for wards who are sex offenders or substance abusers.

(e) Facility procedure following traumatic campus occurrences such as, but not limited to, violent and sexual assaults.

(f) Quality control process for resident service and release plans.

(2) The department shall ensure that all juveniles coming into care receive an assessment that includes a review of dysfunctional behavior in adolescents. In addition, the department shall ensure that all treatment addresses:

(a) Dysfunctional family practices, such as substance abuse and domestic violence.

(b) Sexual harassment and gender bias.

(c) Cultural and ethnic sensitivity.

Sec. 706. Counties shall be subject to 50% charge back for the use of alternative regional detention services, if those detention services do not fall under the basic provision of section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, or if a county operates those detention services programs primarily with professional rather than volunteer staff.

Sec. 707. In order to be reimbursed for child care fund expenditures, counties are required to submit department developed reports to enable the department to document potential federally claimable expenditures. This requirement is in accordance with the reporting requirements specified in section 117a(7) of the social welfare act, 1939 PA 280, MCL 400.117a.

Sec. 708. It is the intent of the legislature that the department work with the department of education and all other state and local agencies necessary to ensure funding through the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, to educate pupils assigned by a court or the family independence agency to reside in a state-operated juvenile detention or treatment facility. Daily per diem rates for state-operated juvenile detention and treatment facilities shall reflect savings due to the use of school aid funds for education services.

Sec. 709. As a condition of receiving funds appropriated in part 1 for the child care fund, by February 15, 2003, counties shall have an approved service spending plan for the fiscal year ending September 30, 2003. Counties must submit the service spending plan to the department by December 15, 2002 for approval.

Sec. 710. From the funds appropriated in part 1 for juvenile justice services, the department shall continue contracts for county juvenile justice day treatment programs.

Sec. 712. Not more than 30 days after receiving a published report from the office of auditor general that states that the department has not complied with state or federal law, rule, or regulation, the department shall provide a report to the house and senate committees having jurisdiction over the family independence agency. The report shall state the reason for the noncompliance, a corrective action plan to bring the department into compliance, and the time frame for implementing and executing the plan.

Sec. 713. (1) The department shall work cooperatively with judiciary and with the departments of community health and career development to coordinate and improve the delivery of mental health and substance abuse treatment and education and training services to individuals leaving the juvenile justice system, especially those aging out of the system identified as continuing to pose a serious risk to themselves or others.

(2) As required by section 18 of chapter XIIA of the probate code of 1939, 1939 PA 288, MCL 712A.18, juveniles committed to an institution operated by the department shall receive medical, dental, surgical, or other health care as necessary. The Medicaid reimbursable rate scale shall be used as the standard for allowable charges for services rendered. The family independence agency shall reimburse providers for the actual charges less than or equal to the Medicaid reimbursable rate scale for each service provided.

Sec. 714. (1) The family independence agency shall provide technical assistance for counties to develop information networks including, but not limited to, serious habitual offenders comprehensive action program (SHOCAP), juvenile justice on-line technology (JJOLT), and juvenile violent reporting system (JVRS).

(2) The department shall assist counties in identifying funding sources for the networks, including, but not limited to, the child care fund and the juvenile accountability incentive block grant.

(3) The local units of government shall report to the department on expenditures of their juvenile justice information networks in concert with their requests for reimbursement from the child care fund.

(4) The department shall provide during budget deliberation hearings the compilation of reports from the local units of government.

Sec. 715. (1) It is the intent of the legislature that the primary function of the juvenile justice system shall be to promote the protection of individuals and communities through the reduction of juvenile crime.

(2) Based on the recommendations of the 2001 joint house and senate task force on juvenile justice, the family independence agency shall present the early intervention initiatives demonstrating the principles at the annual balanced and restorative justice conference in May 2003. The early intervention shall include, but not be limited to, the following:

(a) Mentoring programs that focus on improving communication and collaboration, encourage quality mentoring programs, recruitment of mentors, and increasing public awareness of and participation in programs for at-risk youth.

(b) Discussion of programs relating to juvenile information networks as an Internet-based communication tool that assists with case management of juvenile offenders in the area.

(c) Discussion of the possibility of implementing a program modeled after the "Wisconsin citizenship initiative" to collaborate with the before- and after-school programs offered under the authority of this act.

(d) Exploration of the option of a summit conducted via the Internet to discuss measures relating to the prevention and intervention of at-risk youth.

(e) Discussion of California's "8% early intervention" program that focuses on aggressive early intervention and treatment of young, high at-risk juvenile offenders and their families.

(f) Multisystem therapy.

(g) Youth service projects.

(h) Community services projects.

(i) A report on the initiatives discussed at the balanced and restorative justice conference described in this section will be given to the senate and house appropriations subcommittees on the family independence agency budget, the senate and house standing committees dealing with human services, the senate and house fiscal agencies, and the policy offices no later than September 30, 2003.

DISABILITY DETERMINATION SERVICES

Sec. 801. The family independence agency disability determination services in agreement with the department of management and budget office of retirement systems will develop the medical information and determine eligibility of medical disability retirement for state employees, state police, judges, and school teachers.

Second: That the House and Senate agree to the title of the bill to read as follows:

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, 2003; 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.

Laura M. Toy
Marc Shulman
Conferees for the House

Mike Goschka
Joel Gougeon
Conferees for the Senate

The Speaker announced that under Joint Rule 9 the second conference report would lie over one day.

Senate Bill No. 1104, entitled

A bill to make appropriations for the department of environmental quality for the fiscal year ending September 30, 2003; to provide for the expenditure of those appropriations; to create certain funds and accounts; to require certain reports; to prescribe the 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 Senate has adopted the report of the Second Committee of Conference and ordered that the bill be given immediate effect.

The Conference Report was read as follows:

Second Conference Report

The Committee of Conference on the matters of difference between the two Houses concerning

Senate Bill No. 1104, entitled

A bill to make appropriations for the department of environmental quality for the fiscal year ending September 30, 2003; to provide for the expenditure of those appropriations; to create certain funds and accounts; to require certain reports; to prescribe the 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.

Recommends:

First: That the Senate and House agree to the Substitute of the House as passed by the House, amended to read as follows:

A bill to make appropriations for the department of environmental quality for the fiscal year ending September 30, 2003; to provide for the expenditure of those appropriations; to create certain funds and accounts; to require certain reports; to prescribe the 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 PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of environmental quality for the fiscal year ending September 30, 2003, from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF ENVIRONMENTAL QUALITY

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	1,590.7	
GROSS APPROPRIATION		\$ 404,819,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		\$ 14,042,900
ADJUSTED GROSS APPROPRIATION		\$ 390,778,700
Federal revenues:		
Total federal revenues		131,521,400
Special revenue funds:		
Total local revenues		0
Total private revenues		435,700
Total other state restricted revenues		189,377,100
State general fund/general purpose		\$ 69,442,500

FUND SOURCE SUMMARY:

GROSS APPROPRIATION		\$ 404,819,600
Interdepartmental grant revenues:		
IDG-MDCH, local public health operations		10,472,500
IDG-MDSP		632,200
IDG, Michigan transportation fund		884,800
IDT, interdivisional charges		2,053,400
Total interdepartmental grants and intradepartmental transfers		14,042,900
ADJUSTED GROSS APPROPRIATION		\$ 390,776,700
Federal revenues:		
DOC-NOAA, federal		3,063,500
DOD, federal		455,300
DOI, federal		457,800
EPA-GWDW		4,740,700
EPA-LUST trust		1,977,500
EPA-UST		238,000
EPA, federal		27,805,400
EPA, radon		323,500
EPA, superfund		7,057,800
Federal revenues		85,000,000
FEMA, federal		401,900
Total federal revenues		131,521,400
Special revenue funds:		
Private funds		435,700
Total private revenues		435,700
Aboveground storage tank fees		717,500
Air emissions fees		11,577,000
CESARS service fee		26,300
Clean Michigan initiative - administration		2,885,700
Clean Michigan initiative - clean water fund		3,020,000
Cleanup and redevelopment fund		12,700,000

	For Fiscal Year Ending Sept. 30, 2003
Community pollution prevention fund	250,000
Drinking water revolving fund	6,059,500
Environmental education fund	184,500
Environmental pollution prevention fund	330,300
Environmental protection fund	15,542,700
Environmental response fund	17,933,900
Environmental training revenue	295,800
Fees and collections	818,700
Financial instruments	5,000,000
Great Lakes protection fund	2,151,100
Hazardous materials transportation permit fund	87,800
Land and water permit fees	3,111,300
Landfill maintenance trust fund	47,200
Metallic mining surveillance fee revenue	68,200
Michigan underground storage tank financial assurance fund	62,455,700
Mineral well regulatory fee revenue	215,300
Oil and gas regulatory fund	7,792,900
Orphan well fund	2,002,000
Public utility assessments	786,100
Public water supply fees	4,451,000
Publication revenue	103,200
Saginaw Bay and River restoration revenue	154,500
Sand extraction fee revenue	188,300
Scrap tire regulatory fund	1,821,500
Septage waste license fees	1,752,400
Settlement funds	3,402,100
Sewage sludge land application fee	742,500
Soil erosion and sedimentation control training fund	101,300
Solid waste program fees	1,319,900
Stormwater permit fees	1,364,000
Submerged log recovery fund	101,600
Underground storage tank fees	4,245,400
Waste reduction fee revenue	7,826,700
Wastewater operator training fees	168,400
Water analysis fees	2,600,400
Water pollution control revolving fund	2,884,300
Water quality protection fund	25,000
Water use reporting fees	65,100
Total other state restricted revenues	189,377,100
State general fund/general purpose	\$ 69,442,500
Sec. 102. EXECUTIVE	
Full-time equated unclassified positions	6.0
Full-time equated classified positions	15.0
Unclassified salaries—6.0 FTE positions	\$ 505,000
Executive direction—8.0 FTE positions	1,057,700
Office of the Great Lakes—7.0 FTE positions	773,200
GROSS APPROPRIATION	\$ 2,335,900
Appropriated from:	
Federal revenues:	
DOI, federal	51,900
EPA, federal	101,100
Special revenue funds:	
Environmental education fund	184,500
Environmental response fund	43,200
Great Lakes protection fund	101,100
Oil and gas regulatory fund	89,600

	For Fiscal Year Ending Sept. 30, 2003
Settlement funds	210,700
State general fund/general purpose	\$ 1,553,800
Sec. 103. DEPARTMENT SUPPORT SERVICES	
Full-time equated classified positions	75.0
Financial and business services—32.0 FTE positions	\$ 1,182,800
Field operations support—20.0 FTE positions	1,427,300
Automated data processing	2,053,400
Office of special environmental projects—6.0 FTE positions	592,900
Personnel—13.0 FTE positions	781,500
Administrative hearings—4.0 FTE positions.....	404,700
Building occupancy charges.....	8,572,500
Rent-privately owned property.....	1,836,900
Environmental support projects.....	5,000,000
GROSS APPROPRIATION.....	\$ 21,852,000
Appropriated from:	
Interdepartmental grant revenues:	
IDT, interdivisional charges	2,053,400
Federal revenues:	
EPA, superfund	57,800
Special revenue funds:	
Aboveground storage tank fee revenue	25,600
Air emissions fees.....	401,800
Clean Michigan initiative - administration.....	162,600
Environmental pollution prevention fund.....	62,900
Environmental response fund.....	1,297,000
Fees and collections.....	99,400
Financial instruments.....	5,000,000
Land and water permit fees.....	107,500
Michigan underground storage tank financial assurance fund	333,300
Oil and gas regulatory fund.....	598,100
Public utility assessments	12,300
Public water supply fees	528,100
Scrap tire regulatory fund	88,400
Settlement funds	170,600
Solid waste program fees	69,600
Stormwater permit fees	50,500
Waste reduction fee revenue	54,700
Water analysis fees.....	187,700
Water pollution control revolving fund	14,900
Water use reporting fees.....	8,400
Underground storage tank fees.....	206,600
State general fund/general purpose	\$ 10,260,800
Sec. 104. GEOLOGICAL SURVEY	
Full-time equated classified positions	70.5
Services to oil and gas programs—61.0 FTE positions	\$ 6,756,100
Well plugging - orphan wells—2.5 FTE positions.....	2,002,000
Coal and sand dune management—3.0 FTE positions.....	594,200
Mineral wells management—3.0 FTE positions	215,300
Metallic mining reclamation program—1.0 FTE positions.....	68,200
GROSS APPROPRIATION.....	\$ 9,635,800
Appropriated from:	
Federal revenues:	
DOI, federal.....	405,900
Special revenue funds:	
Environmental response fund.....	75,900
Metallic mining surveillance fee revenue.....	68,200

	For Fiscal Year Ending Sept. 30, 2003
Mineral well regulatory fee revenue	215,300
Oil and gas regulatory fund.....	6,444,500
Orphan well fund	2,002,000
Publication revenue.....	103,200
Sand extraction fee revenue	188,300
State general fund/general purpose	\$ 132,500
Sec. 105. LAND AND WATER MANAGEMENT	
Full-time equated classified positions	150.0
Land and water program direction—11.0 FTE positions	\$ 896,900
Field permitting and project assistance—85.0 FTE positions	7,160,800
Water management—24.0 FTE positions	2,378,300
Great Lakes shorelands—30.0 FTE positions.....	2,860,900
Submerged log recovery program	101,600
GROSS APPROPRIATION.....	\$ 13,398,500
Appropriated from:	
Interdepartmental grant revenues:	
IDG, Michigan transportation fund	838,500
Federal revenues:	
EPA, federal.....	666,300
DOC-NOAA, federal.....	1,537,900
FEMA, federal	401,900
Special revenue funds:	
Land and water permit fees.....	2,897,100
Soil erosion and sedimentation control training fund	101,300
Submerged log recovery fund	101,600
State general fund/general purpose	\$ 6,853,900
Sec. 106. AIR QUALITY	
Full-time equated classified positions	244.5
Air quality programs—244.5 FTE positions.....	\$ 20,778,400
GROSS APPROPRIATION.....	\$ 20,778,400
Appropriated from:	
Federal revenues:	
EPA, federal.....	3,777,100
Special revenue funds:	
Air emissions fees.....	10,034,100
Environmental response fund.....	89,200
State general fund/general purpose	\$ 6,878,000
Sec. 107. SURFACE WATER QUALITY	
Full-time equated classified positions	206.5
Compliance and permits—109.0 FTE positions	\$ 9,338,400
Surface water surveillance program—36.5 FTE positions.....	7,932,800
Watershed management and nonpoint source—40.0 FTE positions.....	3,550,900
Fish contaminant monitoring contracts	321,000
Sewage sludge land application program—6.5 FTE positions.....	742,500
Stormwater discharge program—14.5 FTE positions	1,233,500
GROSS APPROPRIATION.....	\$ 23,119,100
Appropriated from:	
Federal revenues:	
EPA, federal.....	7,474,300
Special revenue funds:	
CESARS service fee	26,300
Clean Michigan initiative - administration.....	577,000
Clean Michigan initiative - clean water fund	3,020,000
Environmental response fund.....	147,800
Saginaw Bay and River restoration revenue.....	154,500
Septage waste license fees	227,400

	For Fiscal Year Ending Sept. 30, 2003
Sewage sludge land application fee.....	742,500
Stormwater permit fees	1,227,000
Water pollution control revolving fund	590,300
State general fund/general purpose	\$ 8,932,000
Sec. 108. DRINKING WATER PROTECTION AND RADIOLOGICAL HEALTH	
Full-time equated classified positions	203.7
Environmental health—34.0 FTE positions.....	\$ 3,241,500
Laboratory services administration—67.0 FTE positions	5,959,000
Drinking water—86.2 FTE positions.....	12,423,600
Radiological protection—16.5 FTE positions.....	1,604,400
Groundwater use reporting.....	150,000
Arsenic testing and public education program	500,000
GROSS APPROPRIATION.....	\$ 23,878,500
Appropriated from:	
Interdepartmental grant revenues	
IDG-MSP	632,200
Federal revenues:	
EPA, federal.....	1,128,600
EPA-GWDW	4,075,700
EPA, radon.....	233,500
Special revenue funds:	
Drinking water revolving fund.....	3,369,600
Environmental protection fund.....	500,000
Fees and collections.....	719,300
Great Lakes protection fund.....	150,000
Public water supply fees	2,257,600
Settlement funds	285,200
Water analysis fees.....	2,257,300
Water use reporting fees.....	56,700
State general fund/general purpose	\$ 8,212,800
Sec. 109. LOW-LEVEL RADIOACTIVE WASTE AUTHORITY	
Full-time equated classified positions	2.0
Low-level radioactive waste authority—2.0 FTE positions	\$ 769,700
GROSS APPROPRIATION.....	\$ 769,700
Appropriated from:	
Special revenue funds:	
Public utility assessments	769,700
State general fund/general purpose	\$ 0
Sec. 110. ENVIRONMENTAL RESPONSE	
Full-time equated classified positions	245.0
Environmental cleanup and redevelopment program	\$ 16,544,700
Contaminated site investigations, cleanup, and revitalization—195.0 FTE positions	15,928,100
State cleanup (part 201 of 1994 PA 451)	3,027,900
Emergency cleanup actions	2,000,000
Federal cleanup project management—50.0 FTE positions	5,025,000
Superfund cleanup	7,000,000
GROSS APPROPRIATION.....	\$ 49,525,700
Appropriated from:	
Federal revenues:	
DOD, federal	455,300
EPA, federal.....	2,818,700
EPA, superfund	7,000,000
Special revenue funds:	
Private funds.....	135,700
Clean Michigan initiative - administration	1,472,800
Cleanup and redevelopment fund	7,234,000

	For Fiscal Year Ending Sept. 30, 2003
Environmental protection fund.....	14,973,700
Environmental response fund.....	13,449,400
Landfill maintenance trust fund	47,200
Settlement funds	1,938,900
State general fund/general purpose	\$ 0
Sec. 111. STORAGE TANKS	
Full-time equated classified positions	108.5
MI underground storage tank financial assurance program—34.5 FTE positions.....	\$ 61,635,700
Underground storage tank program—37.0 FTE positions.....	4,102,900
Aboveground storage tank program—9.0 FTE positions.....	691,900
Leaking underground storage tank cleanup program	5,316,000
Emergency cleanup actions	2,000,000
Leaking underground storage tank program—28.0 FTE positions.....	3,700,200
GROSS APPROPRIATION.....	\$ 77,446,700
Appropriated from:	
Federal revenues:	
EPA-LUST trust.....	1,977,500
EPA-UST	238,000
Special revenue funds:	
Aboveground storage tank fees	691,900
Clean Michigan initiative - administration.....	590,900
Cleanup and redevelopment fund	2,966,000
Environmental response fund.....	2,439,000
Michigan underground storage tank financial assurance fund	61,635,700
Underground storage tank fees.....	3,864,900
State general fund/general purpose	\$ 3,042,800
Sec. 112. WASTE MANAGEMENT	
Full-time equated classified positions	149.0
Administration and technical support—19.0 FTE positions	\$ 1,526,800
Compliance and enforcement—72.0 FTE positions.....	5,250,500
Hazardous waste permits—28.0 FTE positions	2,637,700
Groundwater permits—18.0 FTE positions	1,275,800
Solid waste program—12.0 FTE positions	1,061,000
Hazardous waste program support	515,000
GROSS APPROPRIATION.....	\$ 12,266,800
Appropriated from:	
Federal revenues:	
EPA, federal.....	2,929,400
Special revenue funds:	
Environmental pollution prevention fund.....	267,400
Environmental response fund.....	262,700
Hazardous materials transportation permit fund	87,800
Scrap tire regulatory fund	915,000
Solid waste program fees	1,190,300
Waste reduction fee revenue	3,224,300
State general fund/general purpose	\$ 3,389,900
Sec. 113. ENVIRONMENTAL ASSISTANCE DIVISION	
Full-time equated classified positions	99.0
Municipal assistance—32.5 FTE positions.....	\$ 2,908,200
Pollution prevention—34.0 FTE positions	3,010,800
Environmental services—12.0 FTE positions.....	1,847,100
Pollution prevention outreach	300,000
Technical assistance—20.5 FTE positions.....	3,028,200
GROSS APPROPRIATION.....	\$ 11,094,300
Appropriated from:	
Federal revenues:	
EPA, federal.....	664,600
EPA-GWDW	665,000

	For Fiscal Year Ending Sept. 30, 2003
Special revenue funds:	
Private funds	300,000
Air emissions fees	654,200
Clean Michigan initiative - administration	82,400
Drinking water revolving fund	1,274,300
Environmental training revenue	295,800
Settlement funds	67,800
Stormwater permit fees	86,500
Waste reduction fee revenue	4,162,900
Wastewater operator training fees	168,400
Water pollution control revolving fund	2,159,300
State general fund/general purpose	\$ 513,100
Sec. 114. CRIMINAL INVESTIGATIONS	
Full-time equated classified positions	22.0
Environmental investigations—22.0 FTE positions	\$ 1,904,900
GROSS APPROPRIATION	\$ 1,904,900
Appropriated from:	
Federal revenues:	
EPA, federal	129,900
Special revenue funds:	
MUSTFA fund	111,700
Oil and gas regulatory fund.....	116,500
Scrap tire regulatory fund	36,800
State general fund/general purpose	\$ 1,510,000
Sec. 115. GRANTS	
Grants to counties—air pollution	\$ 85,000
Water pollution control and drinking water revolving fund.....	102,353,500
Noncommunity water grants	1,400,000
Land and water management grants	1,800,000
Federal - nonpoint source water pollution grants	6,500,000
Federal - Great Lakes remedial action plan grants	700,000
Grants to counties - water quality monitoring	2,500,000
Great Lakes research and protection grants.....	1,900,000
Pollution prevention local grants.....	250,000
Radon grants	135,000
Septage waste compliance grants	1,525,000
Scrap tire grants	700,000
Drinking water revolving fund implementation.....	1,330,000
Local health department operations.....	10,472,500
Volunteer river, stream, and creek cleanup.....	25,000
GROSS APPROPRIATION	\$ 131,676,000
Appropriated from:	
Interdepartmental grant revenues	
IDG-MDCH, local public health operations	10,472,500
Federal revenues:	
DOC-NOAA, federal.....	1,500,000
EPA, federal.....	7,500,000
EPA, radon.....	90,000
Federal revenues	85,000,000
Special revenue funds:	
Cleanup and redevelopment fund	2,500,000
Community pollution prevention fund	250,000
Drinking water revolving fund	1,330,000
Great Lakes protection fund.....	1,900,000
Public water supply fees	1,400,000
Scrap tire regulatory fund	700,000

	For Fiscal Year Ending Sept. 30, 2003
Septage waste license fees	1,525,000
Water quality protection fund.....	25,000
State general fund/general purpose	\$ 17,483,500
Sec. 116. INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 7,364,900
GROSS APPROPRIATION	\$ 7,364,900
Appropriated from:	
Interdepartmental grant revenues	
IDG, Michigan transportation fund	46,300
Federal revenues:	
DOC-NOAA, federal.....	25,600
EPA, federal.....	615,400
Special revenue funds:	
Air emissions fees.....	486,900
Drinking water revolving fund.....	85,600
Environmental protection fund.....	69,000
Environmental response fund.....	129,700
Land and water permit fees.....	106,700
Michigan underground storage tank financial assurance fund	375,000
Oil and gas regulatory fund.....	544,200
Public utility assessments	4,100
Public water supply fees	265,300
Scrap tire regulatory fund	81,300
Settlement funds	728,900
Solid waste program fees	60,000
Underground storage tank fees.....	173,900
Waste reduction fee revenue	384,800
Water analysis fees.....	155,400
Water pollution control revolving fund	119,800
State general fund/general purpose	\$ 2,907,000
Sec. 117. EARLY RETIREMENT AND BUDGETARY SAVINGS	
Early retirement savings.....	\$ (1,481,000)
Budgetary savings.....	(746,600)
GROSS APPROPRIATION	\$ (2,227,600)
Appropriated from:	
State general fund/general purpose	\$ (2,227,600)

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2002-2003 is \$258,819,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2002-2003 is \$15,547,500.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF ENVIRONMENTAL QUALITY

GRANTS

Grants to counties - air pollution	\$ 85,000
Local health department operations.....	10,472,500
Septage waste compliance program.....	1,525,000
Scrap tire grants	700,000
Noncommunity water grants	1,400,000
Radon grants	35,000
Drinking water grants	1,330,000
TOTAL	\$ 15,547,500

Sec. 202. The appropriations authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this act:

- (a) "CESARS" means chemical evaluation search and retrieval system.
- (b) "Department" means the department of environmental quality.

- (c) "DOC" means the United States department of commerce.
- (d) "DOC-NOAA" means the DOC national oceanic and atmospheric administration.
- (e) "DOD" means the United States department of defense.
- (f) "DOE" means the United States department of energy.
- (g) "DOI" means the United States department of interior.
- (h) "EPA" means the United States environmental protection agency.
- (i) "EPA-GWDW" means the EPA groundwater drinking water.
- (j) "EPA-LUST trust" means the EPA leaking underground storage tank trust fund.
- (k) "EPA, radon" means the EPA radon grants.
- (l) "EPA-UST" means the EPA underground storage tank.
- (m) "FEMA" means the federal emergency management agency.
- (n) "FTE" means full-time equated.
- (o) "IDG" means interdepartmental grant.
- (p) "IDT" means intradepartmental transfer.
- (q) "MDCH" means the Michigan department of community health.
- (r) "MDSP" means the Michigan department of state police.
- (s) "MI" means Michigan.
- (t) "NPL" means the federal national priority list.

Sec. 204. The department of civil service shall bill departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 205. (1) Beginning October 1, a hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.

(2) The state budget director shall grant exceptions to the hiring freeze described in subsection (1) when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, cause a loss of revenue to the state, result in the inability of the state to receive federal funds, or would necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$30,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 207. At least 60 days before beginning any effort to privatize, the department shall submit a complete project plan to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies within 30 months.

Sec. 208. Unless otherwise specified in this act, the department shall use the Internet to fulfill the reporting requirements of this act. This may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an Internet or Intranet site.

Sec. 209. Funds appropriated in part 1 should not be used for the purchase of foreign goods or services, or both, if competitively priced American goods or services, or both, of comparable quality are available. Preference should be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable value.

Sec. 210. The director shall take all reasonable steps to ensure that businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 211. (1) From funds appropriated under part 1, the department shall prepare a report that lists all of the following regarding grant or loan or grant and loan programs administered by the department for the fiscal year ending on September 30, 2003:

- (a) The name of each program.
 - (b) The goals of the program, the criteria, eligibility, process, filing fees, nominating procedures, and deadlines for each program.
 - (c) The maximum and minimum grant and loan available and whether there is a match requirement for each program.
 - (d) The amount of any required match, and whether in-kind contributions may be used as part or all of a required match.
 - (e) Information pertaining to the application process, timeline for each program, and the contact people within the department.
 - (f) The source of funds for each program, including the citation of pertinent authorizing acts.
 - (g) Information regarding plans for the next fiscal year for the phaseout, expansion, or changes for each program.
 - (h) A listing of all recipients of grants or loans awarded by the department by type and amount of grant or loan.
- (2) The reports required under this section shall be submitted to the state budget office, the senate and house appropriations committees, and senate and house fiscal agencies by January 1, 2003.

Sec. 212. By February 15, 2003, the department shall provide the state budget director, the subcommittees on natural resources and environmental quality of the senate and house appropriations committees, and the senate and house fiscal agencies with an annual report on restricted fund balances, projected revenues, and expenditures for the fiscal years ending September 30, 2002 and September 30, 2003.

Sec. 213. The department shall provide an annual report on the total amount of funds received from responsible parties and legal settlements, and the disposition of these funds. Included in the report shall be a listing of the individual settlement cases, the location of the facilities involved, the type of violation committed, and the amount of funds received.

Sec. 214. The department shall notify the legislature and shall provide a public meeting and public comment opportunity with respect to any request received by the state of Michigan to divert water from the Great Lakes pursuant to the water resources development act of 1986, Public Law 99-662, 100 Stat. 4082.

Sec. 215. (1) The department shall report all of the following information relative to allocations made in part 1 for the environmental cleanup and redevelopment program, state cleanup, emergency actions, superfund cleanup, the revitalization revolving loan program, the brownfield grants and loans program, the leaking underground storage tank cleanup program, the contaminated lake and river sediments cleanup program, and the environmental protection bond projects under section 19508(7) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19508, to the state budget director, the senate and house appropriations subcommittees on environmental quality, and the senate and house fiscal agencies:

- (a) The name and location of the site for which an allocation is made.
 - (b) The nature of the problem encountered at the site.
 - (c) A brief description of how the problem will be resolved if the allocation is made for a response activity.
 - (d) The estimated date that site closure activities will be completed.
 - (e) The amount of the allocation, or the anticipated financing for the site.
 - (f) A summary of the sites and the total amount of funds expended at the sites at the conclusion of the fiscal year.
 - (g) The number of sites that would qualify as brownfields that were redeveloped.
- (2) The report prepared under subsection (1) shall also include all of the following:
- (a) The status of all state-owned facilities that are on the list compiled under part 201 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101 to 324.20142.
 - (b) The report shall include the total amount of funds expended during the fiscal year and the total amount of funds awaiting expenditure.
 - (c) The total amount of bonds issued for the environmental protection bond program pursuant to part 193 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19301 to 324.19306, and bonds issued pursuant to the clean Michigan initiative act, 1998 PA 284, MCL 324.95101 to 324.95108.
- (3) The report shall be made available by March 31 of each year.

Sec. 216. Of the money appropriated from the environmental education fund in part 1, \$5,000.00 shall be allocated to Michigan State University Extension Service - 4-H Youth Programs to fund the Michigan Youth Conservation Council.

Sec. 217. The departments and state agencies receiving appropriations under this act shall receive and retain copies of all reports funded from appropriations in part 1. These departments and state agencies shall follow federal and state guidelines for short-term and long-term retention of these reports and records.

Sec. 218. (1) In addition to the funds appropriated in part 1 for the environmental cleanup and redevelopment program and the leaking underground storage tank cleanup program, the department of environmental quality is authorized to expend amounts remaining from prior fiscal year appropriations to meet funding needs of legislatively approved sites.

(2) Unexpended and unencumbered amounts remaining from appropriations from the environmental protection bond fund contained in 1989 PA 180, 1990 PA 55, 1990 PA 194, 1991 PA 31, 1991 PA 160, 1993 PA 74, 1993 PA 353, 1994 PA 442, 1996 PA 353, and 1997 PA 114 are appropriated for expenditure for any site listed in this act and any site listed in the public acts referenced in this section.

(3) Unexpended and unencumbered amounts remaining from appropriations from the cleanup and redevelopment fund and unclaimed bottle deposits fund contained in 1996 PA 319, 1997 PA 113, 1997 PA 114, 1998 PA 292, 1999 PA 125, 2000 PA 275, and 2001 PA 43 are appropriated for expenditure for any site listed in this act and any site listed in the public acts referenced in this section.

(4) Unexpended and unencumbered amounts remaining from appropriations from the clean Michigan initiative fund - response activities contained in 1999 PA 111, 2000 PA 52, 2000 PA 506, and 2001 PA 120 are appropriated for expenditure for any site listed in this act and any site listed in the public acts referenced in this section.

Sec. 220. The department shall report to the state budget office, the senate and house appropriations subcommittees on environmental quality, and the senate and house fiscal agencies at the end of each fiscal quarter the fund balance in the environmental response fund.

DEPARTMENT SUPPORT SERVICES

Sec. 301. Due to the consolidation of the department of environmental quality operations for the purpose of increasing agency efficiencies, effective October 1, 2002, the department of environmental quality shall not expend any of the funds appropriated in part 1 for rental payments or operational expenses for the leased premises located at the following locations:

- (a) 300 South Washington, Lansing, Michigan.
- (b) 300 Stroh River Place, Detroit, Michigan.
- (c) Shiawassee District Office at 10650 South Bennett Road, Morrice, Michigan.

LAND AND WATER MANAGEMENT

Sec. 403. The department shall collect Great Lakes bottomland permit fees uniformly and fairly from commercial and noncommercial users of the Great Lakes bottomlands.

Sec. 404. The department may waive permit fees for nonprofit organizations conducting approved stream habitat improvement projects.

AIR QUALITY

Sec. 501. The department shall report quarterly, via the department's Internet website, on air quality program expenditures and revenues. The report shall include expenditures and revenues by fund source and by program function.

SURFACE WATER QUALITY

Sec. 601. Of the funds appropriated in part 1 for surface water surveillance, a minimum of \$250,000.00 shall be designated for grants to local organizations for water quality monitoring activities.

Sec. 602. Of the funds appropriated in section 107 for water quality monitoring, \$20,000.00 may be provided, on a 50:50 cost-sharing basis, to erect signs at beaches owned by governmental entities. These signs will inform the public where the most recent beach water quality information may be found.

Sec. 604. The department shall review the 2002 report, "Greening the Governments", and present its analysis to the house and senate subcommittees on environmental quality on October 30, 2002. This analysis shall address specific findings of the "Greening the Governments" report that Michigan had the best water quality in 1999, as measured by the number of tons of toxic material released per \$1,000,000.00 in industry gross state product. The analysis shall include specific recommendations on how Michigan can improve its environmental performance in these and other areas to be competitive with the other Great Lakes states.

DRINKING WATER

Sec. 701. The funds appropriated in part 1 for groundwater use reporting shall be awarded as a grant for the development of a groundwater database needed to model the demands for domestic water uses of groundwater supplies.

ENVIRONMENTAL RESPONSE

Sec. 801. The unexpended funds appropriated in part 1 for the state cleanup program, environmental cleanup and redevelopment program, emergency cleanup action, contaminated site investigations, cleanup and revitalization, and superfund cleanup projects are considered work project appropriations and any unencumbered or unallotted funds are carried forward into the succeeding fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the projects to be carried forward is to provide contaminated site cleanup.
- (b) The projects will be accomplished by contract.
- (c) The total estimated cost of all projects is identified in each line-item appropriation.
- (d) The tentative completion date is September 30, 2007.

Sec. 802. Of the funds appropriated in part 1 as state match for the superfund cleanup program, an amount not to exceed \$250,000.00 shall be expended as the state match for the hazardous substance research center.

Sec. 803. The funds appropriated in part 1 for the environmental cleanup and redevelopment program shall be used to fund redevelopment and cleanup activities on the following sites:

- | | |
|---------|------------------------------|
| Allegan | Saugatuck Twp. Contamination |
| Berrien | Coloma DCPA Site |

Calhoun	Verona Well Field
Calhoun	Residential Wells Tekonsha - North Plume
Cass	Cass St. Area Edwardsburg
Cass	Sundstrand Heat Transfer
Charlevoix	East Jordan Laundromat
Charlevoix	Former Boyne City Chemical
Eaton	916 S. Main Street, Eaton Rapids
Gladwin	Buckeye Oil Field
Gratiot	Gratiot County Landfill
Hillsdale	Haischer Oil
Hillsdale	Wickens Oil
Hillsdale	Penland Oil
Jackson	Spring Arbor Wash & Dry
Kalamazoo	North 34th St. Area Richland
Kalamazoo	Schoolcraft Area Organics
Livingston	Main Street, Gregory
Monroe	Zieman Grames Rd. Dump
Muskegon	Ruddiman Creek Drum Dump
Oakland	Lapeer Road Residential Wells
Oakland	Waterford Hills Sanitary Landfill
Oscoda	Hoskins Manufacturing
Ottawa	Fenske Landfill Ottawa Co.
St. Joseph	SW Sturgis TCE
Van Buren	Commercial Street Industrial Area, Paw Paw
Wayne	Plymouth Industrial Holding Company
Wayne	General Oil Co.
Wayne	Standard Tube of Detroit
Wayne	CYB Tool
Wexford	AAR Cadillac Mfg.
Wexford	Yuma Tar

Sec. 804. Of the funds appropriated in part 1 for the environmental cleanup and redevelopment program, an amount not to exceed \$2,000,000.00 shall be expended for the NPL municipal landfill match grants.

STORAGE TANKS

Sec. 901. (1) The funds appropriated in part 1 from the Michigan underground storage tank financial assurance fund for the purpose of carrying out the duties and responsibilities as specified in part 215 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21501 to 324.21551, are considered work project appropriations and any unencumbered funds are carried forward into the succeeding fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the projects to be carried forward is to carry out the responsibilities of part 215 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21501 to 324.21551.

(b) The projects will be accomplished by contract and state employees.

(c) The total estimated cost is identified in a line-item appropriation.

(d) The tentative completion date is September 30, 2007.

(2) The Michigan underground storage tank financial assurance policy board shall allocate the amount of the underground storage tank financial assurance fund to be distributed to the department. If the amount recommended by the board is less than that appropriated in part 1, expenditures shall be adjusted accordingly.

(3) Included in the funds appropriated in part 1 from the Michigan underground storage tank financial assurance fund are funds sufficient to pay debt service costs on the bonds or notes issued pursuant to part 215 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21501 to 324.21551.

Sec. 902. The department shall report to the state budget director, the senate and house appropriations subcommittees on environmental quality, and the senate and house fiscal agencies not later than October 31, 2003 on the Michigan underground storage tank financial assurance fund. The report shall include the fund balance, estimate of available revenues, number and dollar value of claims processed through September 30, 2002, and total estimated claims liability through December 22, 2004.

Sec. 903. The unexpended funds appropriated in part 1 for the leaking underground storage tank cleanup program are considered work project appropriations and any unencumbered or unallotted funds are carried over into the succeeding fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the projects to be carried over is to provide for redevelopment and contaminated site cleanup.

(b) These projects will be accomplished by contract.

(c) The total estimated costs of all projects is identified in each line-item appropriation.

(d) The tentative completion date for these projects is September 30, 2007.

Sec. 904. The funds appropriated in part 1 for the leaking underground storage tank cleanup program shall be used to fund redevelopment and cleanup activities on the following sites:

Alger	Melstrand General Store
Eaton	5-Star Pizza
Eaton	Keweenaw Party Store
Jackson	Vandy's Party Store
Monroe	Mike's Quality Meats (former)
Montmorency	Stoddard's A-1 Party Mart
Newaygo	Up North Gift Co.

ENVIRONMENTAL ASSISTANCE

Sec. 1002. The appropriation in part 1 for environmental assistance includes \$200,000.00 to support research and technology demonstration projects which encourage scrap tire recycling and reuse.

Sec. 1003. If the department participates, consults, or collaborates on a study regarding removal of automobile components in 2002, it shall review other removal options for similar components by September 30, 2003 including, but not limited to, removal from other than end-of-life vehicles.

CRIMINAL INVESTIGATIONS

Sec. 1101. From funds appropriated in part 1, the department shall conduct periodic inspections of imported solid waste at disposal facilities to mitigate the unpermitted disposal of waste at Michigan disposal sites.

Sec. 1102. With funds appropriated in part 1, the department shall provide training in support of local efforts to regulate solid waste disposal. Department environmental conservation officers shall be directed to help train law enforcement officers and other enforcement personnel to develop community partnerships to combat illegal dumping at the local level.

GRANTS

Sec. 1201. If a certified health department does not exist in a city, county, or district or does not fulfill its responsibilities under part 117 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11701 to 324.11719, then the department may spend funds appropriated in part 1 under the septage waste compliance program in accordance with section 11716 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11716.

Sec. 1202. Of the funds appropriated in part 1 for scrap tire grants, \$100,000.00 shall be available for grants to communities to cover scrap tire fire suppression costs, provided owner liability bonds and other available funding sources have been exhausted.

Sec. 1204. From the funds appropriated in section 115 for the drinking water revolving loan program, the department shall provide low-interest loans for public water supply systems found to be out of compliance with federal arsenic standards.

Sec. 1205. The money appropriated in section 115 for grants to counties—water quality monitoring shall be used to establish and operate a comprehensive monitoring program to protect and manage the environmental quality of the St. Clair River, Lake St. Clair, and the Clinton River watershed.

INFORMATION TECHNOLOGY

Sec. 1301. The department of information technology shall establish a schedule of rates, user fees, and charges or assessments for standard services and information system support requirements to be made to departments for technology related services and projects. This schedule, as well as copies of related interagency agreements, shall be provided to the state budget office and the house and senate committees on appropriations before October 1, 2002.

Sec. 1302. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support department of environmental quality technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

EARLY RETIREMENT AND BUDGETARY SAVINGS

Sec. 1501. (1) The negative appropriation for early retirement savings in part 1 shall be satisfied by savings realized from not filling all of the positions lost due to the early retirement plan for state employees enacted in 2002 PA 93 amendments to the state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69.

(2) The negative appropriation for budgetary savings in part 1 shall be satisfied by savings from the hiring freeze imposed under section 205, efficiencies, and other savings identified by the department director and approved by the state budget director.

(3) Appropriation authorization adjustments required due to negative appropriations for early retirement savings and budgetary savings shall be made only after the approval of transfers by the legislature pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 1502. (1) Subject to subsection (2), in addition to the amounts appropriated under part 1, the following amounts are appropriated for the fiscal year ending September 30, 2003:

(a) \$250,000.00 is appropriated to superfund cleanup from the state general fund.

(b) \$2,000,000.00 is appropriated to waste management, compliance, and enforcement from the state general fund. The appropriation from waste reduction fee revenue for this purpose is reduced by \$2,000,000.00.

(c) \$140,000.00 is appropriated to field permitting and project assistance from the state general fund.

(d) \$500,000.00 is appropriated to financial support services from the state general fund.

(e) \$100,000.00 is appropriated to Great Lakes shorelands from the state general fund.

(2) The appropriations in subsection (1) shall become effective only if the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 30 cents or more per pack of cigarettes on or before September 30, 2002.

Second: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of environmental quality for the fiscal year ending September 30, 2003; to provide for the expenditure of those appropriations; to create certain funds and accounts; to require certain reports; to prescribe the 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.

Loren Bennett
Philip E. Hoffman
Conferees for the Senate

David Mead
Charles LaSata
Conferees for the House

The Speaker announced that under Joint Rule 9 the second conference report would lie over one day.

Second Reading of Bills

House Bill No. 5881, entitled

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 22b, 96, and 104a (MCL 388.1622b, 388.1696, and 388.1704a), section 22b as amended by 2001 PA 121, section 96 as added by 2000 PA 297, and section 104a as amended by 1999 PA 119.

Was read a second time, and the question being on the adoption of the proposed substitute (H-2) previously recommended by the Committee on Education,

The substitute (H-2) was adopted, a majority of the members serving voting therefor.

Rep. LaSata moved to substitute (H-3) the bill.

The question being on the adoption of the substitute (H-3) offered by Rep. LaSata,

Rep. Switalski demanded the yeas and nays.

The demand was supported.

The question being on the adoption of the substitute (H-3) offered by Rep. LaSata,

The substitute (H-3) was adopted, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 964

Yeas—55

Allen	George	Kowall	Richner
Birkholz	Gilbert	Kuipers	Rocca
Bisbee	Godchaux	LaSata	Scranton
Bishop	Gosselin	Mead	Shackleton
Bradstreet	Hager	Meyer	Shulman
Brown, C.	Hart	Middaugh	Stamas
Cassis	Howell	Mortimer	Stewart
Caul	Hummel	Newell	Tabor
DeRossett	Jelinek	Palmer	Van Woerkom
DeVuyst	Johnson, Rick	Pappageorge	Vander Roest
DeWeese	Johnson, Ruth	Patterson	Vander Veen
Drolet	Julian	Pumford	Vear
Ehardt	Koetje	Raczkowski	Voorhees
Faunce	Kooiman	Richardville	

Nays—48

Adamini	Dennis	Mans	Schauer
Anderson	Frank	McConico	Sheltrown
Basham	Garza	Minore	Spade
Bernero	Gielegem	Murphy	Stallworth
Bogardus	Hale	Neumann	Switalski
Bovin	Hansen	O'Neil	Thomas
Brown, B.	Hardman	Pestka	Waters
Brown, R.	Jacobs	Phillips	Whitmer
Callahan	Jamnick	Plakas	Williams
Clark, I.	Kolb	Quarles	Wojno
Clarke, H.	Lipsey	Reeves	Woodward
Daniels	Lockwood	Rivet	Zelenko

In The Chair: Julian

Rep. Bovin moved to amend the bill as follows:

1. Amend page 2, following “THE PEOPLE OF THE STATE OF MICHIGAN ENACT:” by inserting:

“Sec. 6. (1) “Center program” means a program operated by a district or intermediate district for special education pupils from several districts in programs for the autistically impaired, trainable mentally impaired, severely mentally impaired, severely multiply impaired, hearing impaired, physically and otherwise health impaired, and visually impaired. Programs for emotionally impaired pupils housed in buildings that do not serve regular education pupils also qualify. Unless otherwise approved by the department, a center program either shall serve all constituent districts within an intermediate district or shall serve several districts with less than 50% of the pupils residing in the operating district. In addition, special education center program pupils placed part-time in noncenter programs to comply with the least restrictive environment provisions of section 612 of part B of the individuals with disabilities education act, title VI of Public Law 91-230, 20 U.S.C. 1412, may be considered center program pupils for pupil accounting purposes for the time scheduled in either a center program or a noncenter program.

(2) “District pupil retention rate” means the proportion of pupils who have not dropped out of school in the immediately preceding school year and is equal to 1 minus the quotient of the number of pupils unaccounted for in the immediately preceding school year, as determined pursuant to subsection (3), divided by the pupils of the immediately preceding school year.

(3) “District pupil retention report” means a report of the number of pupils, excluding migrant and adult, in the district for the immediately preceding school year, adjusted for those pupils who have transferred into the district, transferred out of the district, transferred to alternative programs, and have graduated, to determine the number of pupils who are unaccounted for. The number of pupils unaccounted for shall be calculated as determined by the department.

(4) “Membership”, except as otherwise provided in this act, means for a district, public school academy, university school, or intermediate district the sum of the product of .8 times the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the pupil membership count day for the current school year, plus the product of .2 times the final audited count from the supplemental count day for the immediately preceding school year. All pupil counts used in this subsection are as determined by the department and calculated by adding the number of pupils registered for attendance plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by a subsequent department audit. The amount of the foundation allowance for a pupil in membership is determined under section 20. In making the calculation of membership, all of the following, as applicable, apply to determining the membership of a district, public school academy, university school, or intermediate district:

(a) Except as otherwise provided in this subsection, and pursuant to subsection (6), a pupil shall be counted in membership in the pupil’s educating district or districts. An individual pupil shall not be counted for more than a total of 1.0 full-time equated membership.

(b) If a pupil is educated in a district other than the pupil’s district of residence, if the pupil is not being educated as part of a cooperative education program, if the pupil’s district of residence does not give the educating district its approval to count the pupil in membership in the educating district, and if the pupil is not covered by an exception specified in subsection (6) to the requirement that the educating district must have the approval of the pupil’s district of residence to count the pupil in membership, the pupil shall not be counted in membership in any district.

(c) A special education pupil educated by the intermediate district shall be counted in membership in the intermediate district.

(d) A pupil placed by a court or state agency in an on-grounds program of a juvenile detention facility, a child caring institution, or a mental health institution, or a pupil funded under section 53a, shall be counted in membership in the district or intermediate district approved by the department to operate the program.

(e) A pupil enrolled in the Michigan schools for the deaf and blind shall be counted in membership in the pupil's intermediate district of residence.

(f) A pupil enrolled in a vocational education program supported by a millage levied over an area larger than a single district or in an area vocational-technical education program established pursuant to section 690 of the revised school code, MCL 380.690, shall be counted only in the pupil's district of residence.

(g) A pupil enrolled in a university school shall be counted in membership in the university school.

(h) A pupil enrolled in a public school academy shall be counted in membership in the public school academy.

(i) For a new district, university school, or public school academy beginning its operation after December 31, 1994, membership for the first 2 full or partial fiscal years of operation shall be determined as follows:

(i) If operations begin before the pupil membership count day for the fiscal year, membership is the average number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the pupil membership count day for the current school year and on the supplemental count day for the current school year, as determined by the department and calculated by adding the number of pupils registered for attendance on the pupil membership count day plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by a subsequent department audit, plus the final audited count from the supplemental count day for the current school year, and dividing that sum by 2.

(ii) If operations begin after the pupil membership count day for the fiscal year and not later than the supplemental count day for the fiscal year, membership is the final audited count of the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the supplemental count day for the current school year.

(j) If a district is the authorizing body for a public school academy, then, in the first school year in which pupils are counted in membership on the pupil membership count day in the public school academy, the determination of the district's membership shall exclude from the district's pupil count for the immediately preceding supplemental count day any pupils who are counted in the public school academy on that first pupil membership count day who were also counted in the district on the immediately preceding supplemental count day.

(k) In a district, public school academy, university school, or intermediate district operating an extended school year program approved by the superintendent, a pupil enrolled, but not scheduled to be in regular daily attendance on a pupil membership count day, shall be counted.

(l) Pupils to be counted in membership shall be not less than 5 years of age on December 1 and less than 20 years of age on September 1 of the school year except a special education pupil who is enrolled and receiving instruction in a special education program approved by the department and not having a high school diploma who is less than 26 years of age as of September 1 of the current school year shall be counted in membership.

(m) An individual who has obtained a high school diploma shall not be counted in membership. An individual who has obtained a general education development (G.E.D.) certificate shall not be counted in membership. An individual participating in a job training program funded under former section 107a or a jobs program funded under former section 107b, administered by the Michigan strategic fund or the department of career development, or participating in any successor of either of those 2 programs, shall not be counted in membership.

(n) If a pupil counted in membership in a public school academy is also educated by a district or intermediate district as part of a cooperative education program, the pupil shall be counted in membership only in the public school academy, and the instructional time scheduled for the pupil in the district or intermediate district shall be included in the full-time equated membership determination under subdivision (q). However, for pupils receiving instruction in both a public school academy and in a district or intermediate district but not as a part of a cooperative education program, the following apply:

(i) If the public school academy provides instruction for at least 1/2 of the class hours specified in subdivision (q), the public school academy shall receive as its prorated share of the full-time equated membership for each of those pupils an amount equal to 1 times the product of the hours of instruction the public school academy provides divided by the number of hours specified in subdivision (q) for full-time equivalency, and the remainder of the full-time membership for each of those pupils shall be allocated to the district or intermediate district providing the remainder of the hours of instruction.

(ii) If the public school academy provides instruction for less than 1/2 of the class hours specified in subdivision (q), the district or intermediate district providing the remainder of the hours of instruction shall receive as its prorated share of the full-time equated membership for each of those pupils an amount equal to 1 times the product of the hours of instruction the district or intermediate district provides divided by the number of hours specified in subdivision (q) for full-time equivalency, and the remainder of the full-time membership for each of those pupils shall be allocated to the public school academy.

(o) An individual less than 16 years of age as of September 1 of the current school year who is being educated in an alternative education program shall not be counted in membership if there are also adult education participants being educated in the same program or classroom.

(p) The department shall give a uniform interpretation of full-time and part-time memberships.

(q) The number of class hours used to calculate full-time equated memberships shall be consistent with section 101(3). In determining full-time equated memberships for pupils who are enrolled in a postsecondary institution, a pupil shall not be considered to be less than a full-time equated pupil solely because of the effect of his or her postsecondary enrollment, including necessary travel time, on the number of class hours provided by the district to the pupil.

(r) Full-time equated memberships for pupils in kindergarten shall be determined by dividing the number of class hours scheduled and provided per year per kindergarten pupil by a number equal to 1/2 the number used for determining full-time equated memberships for pupils in grades 1 to 12.

(s) For a district, university school, or public school academy that has pupils enrolled in a grade level that was not offered by the district, university school, or public school academy in the immediately preceding school year, the number of pupils enrolled in that grade level to be counted in membership is the average of the number of those pupils enrolled and in regular daily attendance on the pupil membership count day and the supplemental count day of the current school year, as determined by the department. Membership shall be calculated by adding the number of pupils registered for attendance in that grade level on the pupil membership count day plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by subsequent department audit, plus the final audited count from the supplemental count day for the current school year, and dividing that sum by 2.

(t) A pupil enrolled in a cooperative education program may be counted in membership in the pupil's district of residence with the written approval of all parties to the cooperative agreement.

(u) If, as a result of a disciplinary action, a district determines through the district's alternative or disciplinary education program that the best instructional placement for a pupil is in the pupil's home, if that placement is authorized in writing by the district superintendent and district alternative or disciplinary education supervisor, and if the district provides appropriate instruction as described in this subdivision to the pupil at the pupil's home, the district may count the pupil in membership on a pro rata basis, with the proration based on the number of hours of instruction the district actually provides to the pupil divided by the number of hours specified in subdivision (q) for full-time equivalency. For the purposes of this subdivision, a district shall be considered to be providing appropriate instruction if all of the following are met:

(i) The district provides at least 2 nonconsecutive hours of instruction per week to the pupil at the pupil's home under the supervision of a certificated teacher.

(ii) The district provides instructional materials, resources, and supplies, except computers, that are comparable to those otherwise provided in the district's alternative education program.

(iii) Course content is comparable to that in the district's alternative education program.

(iv) Credit earned is awarded to the pupil and placed on the pupil's transcript.

(v) A pupil enrolled in an alternative or disciplinary education program described in section 25 shall be counted in membership in the district or public school academy that expelled the pupil.

(w) If a pupil was enrolled in a public school academy on the pupil membership count day, if the public school academy's contract with its authorizing body is revoked, and if the pupil enrolls in a district within 45 days after the pupil membership count day, the department shall adjust the district's pupil count for the pupil membership count day to include the pupil in the count.

(x) For a public school academy that has been in operation for at least 2 years and that suspended operations for at least 1 semester and is resuming operations, membership is the sum of the product of .8 times the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the first pupil membership count day or supplemental count day, whichever is first, occurring after operations resume, plus the product of .2 times the final audited count from the most recent pupil membership count day or supplemental count day that occurred before suspending operations, as determined by the superintendent.

(y) ~~For districts located in the Lower Peninsula only, if the~~ IF A district's membership for a particular fiscal year, as otherwise calculated under this subsection, would be less than 1,550 pupils and the district has 4.5 or fewer pupils per square mile, as determined by the department, the district's membership shall be considered to be the membership figure calculated under this subdivision. If a district educates and counts in its membership pupils in grades 9 to 12 who reside in a contiguous district that does not operate grades 9 to 12 and if 1 or both of the affected districts request the department to use the determination allowed under this sentence, the department shall include the square mileage of both districts in determining the number of pupils per square mile for each of the districts for the purposes of this subdivision. The membership figure calculated under this subdivision is the greater of the following:

(i) The average of the district's membership for the 3-fiscal-year period ending with that fiscal year, calculated by adding the district's actual membership for each of those 3 fiscal years, as otherwise calculated under this subsection, and dividing the sum of those 3 membership figures by 3.

(ii) The district's actual membership for that fiscal year as otherwise calculated under this subsection.

(z) If a public school academy that is not in its first or second year of operation closes at the end of a school year and does not reopen for the next school year, the department shall adjust the membership count of the district in which a former pupil of the public school academy enrolls and is in regular daily attendance for the next school year to ensure that the district receives the same amount of membership aid for the pupil as if the pupil were counted in the district on the supplemental count day of the preceding school year.

(5) "Public school academy" means a public school academy or strict discipline academy operating under the revised school code.

(6) "Pupil" means a person in membership in a public school. A district must have the approval of the pupil's district of residence to count the pupil in membership, except approval by the pupil's district of residence shall not be required for any of the following:

(a) A nonpublic part-time pupil enrolled in grades 1 to 12 in accordance with section 166b.

(b) A pupil receiving 1/2 or less of his or her instruction in a district other than the pupil's district of residence.

(c) A pupil enrolled in a public school academy or university school.

(d) A pupil enrolled in a district other than the pupil's district of residence under an intermediate district schools of choice pilot program as described in section 91a or former section 91 if the intermediate district and its constituent districts have been exempted from section 105.

(e) A pupil enrolled in a district other than the pupil's district of residence but within the same intermediate district if the educating district enrolls nonresident pupils in accordance with section 105.

(f) A pupil enrolled in a district other than the pupil's district of residence if the pupil has been continuously enrolled in the educating district since a school year in which the pupil enrolled in the educating district under section 105 or 105c and in which the educating district enrolled nonresident pupils in accordance with section 105 or 105c.

(g) A pupil who has made an official written complaint or whose parent or legal guardian has made an official written complaint to law enforcement officials and to school officials of the pupil's district of residence that the pupil has been the victim of a criminal sexual assault or other serious assault, if the official complaint either indicates that the assault occurred at school or that the assault was committed by 1 or more other pupils enrolled in the school the pupil would otherwise attend in the district of residence or by an employee of the district of residence. A person who intentionally makes a false report of a crime to law enforcement officials for the purposes of this subdivision is subject to section 411a of the Michigan penal code, 1931 PA 328, MCL 750.411a, which provides criminal penalties for that conduct. As used in this subdivision:

(i) "At school" means in a classroom, elsewhere on school premises, on a school bus or other school-related vehicle, or at a school-sponsored activity or event whether or not it is held on school premises.

(ii) "Serious assault" means an act that constitutes a felony violation of chapter XI of the Michigan penal code, 1931 PA 328, MCL 750.81 to 750.90g, or that constitutes an assault and infliction of serious or aggravated injury under section 81a of the Michigan penal code, 1931 PA 328, MCL 750.81a.

(h) A pupil enrolled in a district located in a contiguous intermediate district, as described in section 105c, if the educating district enrolls those nonresident pupils in accordance with section 105c.

(i) A pupil whose district of residence changed after the pupil membership count day and before the supplemental count day and who continues to be enrolled on the supplemental count day as a nonresident in the district in which he or she was enrolled as a resident on the pupil membership count day of the same school year.

(j) A pupil enrolled in an alternative education program operated by a district other than his or her district of residence who meets 1 or more of the following:

(i) The pupil has been suspended or expelled from his or her district of residence for any reason, including, but not limited to, a suspension or expulsion under section 1310, 1311, or 1311a of the revised school code, MCL 380.1310, 380.1311, and 380.1311a.

(ii) The pupil had previously dropped out of school.

(iii) The pupil is pregnant or is a parent.

(iv) The pupil has been referred to the program by a court.

(k) A pupil enrolled in the Michigan virtual high school, for the pupil's enrollment in the Michigan virtual high school.

However, if a district that is not a first class district educates pupils who reside in a first class district and if the primary instructional site for those pupils is located within the boundaries of the first class district, the educating district must have the approval of the first class district to count those pupils in membership. As used in this subsection, "first class district" means a district organized as a school district of the first class under the revised school code.

(7) "Pupil membership count day" of a district or intermediate district means:

(a) Except as provided in subdivision (b), the fourth Wednesday in September each school year.

(b) For a district or intermediate district maintaining school during the entire school year, the following days:

(i) Fourth Wednesday in July.

(ii) Fourth Wednesday in September.

(iii) Second Wednesday in February.

(iv) Fourth Wednesday in April.

(8) "Pupils in grades K to 12 actually enrolled and in regular daily attendance" means pupils in grades K to 12 in attendance and receiving instruction in all classes for which they are enrolled on the pupil membership count day or the supplemental count day, as applicable. A pupil who is absent from any of the classes in which the pupil is enrolled on the pupil membership count day or supplemental count day and who does not attend each of those classes during the 10 consecutive school days immediately following the pupil membership count day or supplemental count day, except for a pupil who has been excused by the district, shall not be counted as 1.0 full-time equated membership. In addition, a pupil who is excused from attendance on the pupil membership count day or supplemental count day and who fails to attend each of the classes in which the pupil is enrolled within 30 calendar days after the pupil membership count day or supplemental count day shall not be counted as 1.0 full-time equated membership. Pupils not counted as 1.0 full-time equated membership due to an absence from a class shall be counted as a prorated membership for the classes the pupil attended. For purposes of this subsection, "class" means a period of time in 1 day when pupils and a certificated teacher or legally qualified substitute teacher are together and instruction is taking place.

(9) "Rule" means a rule promulgated pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(10) "The revised school code" means 1976 PA 451, MCL 380.1 to 380.1852.

(11) "School fiscal year" means a fiscal year that commences July 1 and continues through June 30.

(12) "State board" means the state board of education.

(13) "Superintendent", unless the context clearly refers to a district or intermediate district superintendent, means the superintendent of public instruction described in section 3 of article VIII of the state constitution of 1963.

(14) "Supplemental count day" means the day on which the supplemental pupil count is conducted under section 6a.

(15) "Tuition pupil" means a pupil of school age attending school in a district other than the pupil's district of residence for whom tuition may be charged. Tuition pupil does not include a pupil who is a special education pupil or a pupil described in subsection (6)(d) to (k). A pupil's district of residence shall not require a high school tuition pupil, as provided under section 111, to attend another school district after the pupil has been assigned to a school district.

(16) "State school aid fund" means the state school aid fund established in section 11 of article IX of the state constitution of 1963.

(17) "Taxable value" means the taxable value of property as determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

(18) "Total state aid" or "total state school aid" means the total combined amount of all funds due to a district, intermediate district, or other entity under all of the provisions of this act.

(19) "University school" means an instructional program operated by a public university under section 23 that meets the requirements of section 23." and adjusting section 11 and enacting section 1 accordingly.

The question being on the adoption of the amendment offered by Rep. Bovin,

Rep. Bovin demanded the yeas and nays.

The demand was supported.

The question being on the adoption of the amendment offered by Rep. Bovin,

Point of Order

Rep. Frank requested a point of order on whether the bill is properly before the House.

The Chair ruled that the bill is properly before the House.

Rep. Frank appealed the decision of the Chair.

The question being, "Shall the judgment of the Chair stand as the judgment of the House?"

The judgment of the Chair stood as the judgment of the House, a majority of the members present and voting, voting therefor, by yeas and nays, as follows:

Roll Call No. 965

Yeas—55

Allen
Birkholz
Bisbee
Bishop

George
Gilbert
Godchaux
Gosselin

Kowall
Kuipers
LaSata
Mead

Richner
Rocca
Scranton
Shackleton

Bradstreet	Hager	Meyer	Shulman
Brown, C.	Hart	Middaugh	Stamas
Cassis	Howell	Mortimer	Stewart
Caul	Hummel	Newell	Tabor
DeRossett	Jelinek	Palmer	Van Woerkom
DeVuyst	Johnson, Rick	Pappageorge	Vander Roest
DeWeese	Johnson, Ruth	Patterson	Vander Veen
Drolet	Julian	Pumford	Vear
Ehardt	Koetje	Raczkowski	Voorhees
Faunce	Kooiman	Richardville	

Nays—48

Adamini	Dennis	Mans	Schauer
Anderson	Frank	McConico	Sheltrown
Basham	Garza	Minore	Spade
Bernero	Gielegem	Murphy	Stallworth
Bogardus	Hale	Neumann	Switalski
Bovin	Hansen	O'Neil	Thomas
Brown, B.	Hardman	Pestka	Waters
Brown, R.	Jacobs	Phillips	Whitmer
Callahan	Jamnick	Plakas	Williams
Clark, I.	Kolb	Quarles	Wojno
Clarke, H.	Lipsey	Reeves	Woodward
Daniels	Lockwood	Rivet	Zelenko

In The Chair: Julian

The question being on the adoption of the amendment offered previously by Rep. Bovin, Rep. Richardville moved that consideration of the bill be postponed temporarily. The motion prevailed.

By unanimous consent the House returned to the order of

Motions and Resolutions

Rep. Shulman moved that the Committee on Tax Policy be discharged from further consideration of **House Bill No. 5248**.

(For first notice see House Journal No. 56, p. 2108.)

The question being on the motion made by Rep. Shulman,

Rep. Shulman moved that consideration of the motion be postponed for the day.

The motion prevailed.

Rep. Richardville moved that when the House adjourns today it stand adjourned until Thursday, June 20, at 12:05 a.m. The motion prevailed.

Rep. Richardville moved that the House adjourn.

The motion prevailed, the time being 11:55 p.m.

Associate Speaker Pro Tempore Julian declared the House adjourned until Thursday, June 20, at 12:05 a.m.

GARY L. RANDALL
Clerk of the House of Representatives.