## No. 62 STATE OF MICHIGAN

# JOURNAL OF THE

# House of Representatives

## 91st Legislature REGULAR SESSION OF 2002

House Chamber, Lansing, Tuesday, August 13, 2002.

10:00 a.m.

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

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

Adamini—present Allen—present Anderson—present Basham—present Bernero—present Birkholz-present Bisbee-present Bishop—present Bogardus—present Bovin—present Bradstreet—present Brown, Bob—present Brown, Cameron—present Brown, Rich-present Callahan—present Cassis—present Caul—present Clark—present Clarke—present Daniels—present Dennis—present DeRossett—present DeVuyst-present DeWeese—present Drolet—present Ehardt—present Faunce—present

Garza—present George—excused Gieleghem—present Gilbert-present Godchaux-present Gosselin—present Hager—present Hale-present Hansen—present Hardman—present Hart—present Howell—present Hummel—present Jacobs—present Jamnick—present Jansen—present Jelinek—present Johnson, Rick—present Johnson, Ruth—present Julian—present Koetje—present Kolb-present Kooiman—present Kowall-present Kuipers—present LaSata—present Lemmons—excused Lipsey—present

Lockwood—present Mans—present McConico—present Mead—present Meyer—present Middaugh—present Minore—present Mortimer-present Murphy-present Neumann—present Newell—present O'Neil-present Palmer—present Pappageorge—present Patterson—present Pestka—present Phillips-present Plakas—present Pumford—present Quarles—present Raczkowski—present Reeves—present Richardville-present

Schermesser—present Scranton—present Shackleton—present Sheltrown—present Shulman—present Spade—present Stallworth—present Stamas—present Stewart—present Switalski—present Tabor—present Thomas—present Toy-present Van Woerkom—present Vander Roest—present Vander Veen—present Vear—present Voorhees-present Waters—present Whitmer—present

Williams—present

Schauer—present

Rep. David Mead, from the 101st District, offered the following invocation:

"Dear heavenly and most gracious Father, most forgiving Lord, we give You thanks for this day, this day of life, this day of sunshine and for all the gifts that You have bestowed upon us—especially our freedom. Let us remember all the men and women who serve this country—our police officers, our firefighters and our rescue workers who go without hesitation every single day. Bring this House and the Senate together to make the right decisions for the people of the state of Michigan. May we all unite in doing what is right. Let us remember our families this day, Lord. Let us remember all of those in our communities, our state legislature and our federal government. May our leaders proceed down a path of right each day through their decision making. Father, we give You thanks and ask Your praise through Christ our Lord. Amen."

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

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

## **Reports of Select Committees**

#### House Bill No. 5644, entitled

A bill to make appropriations for the department of consumer and industry services and certain other state purposes for the fiscal year ending September 30, 2003; to provide for the expenditure of those appropriations; to provide for the imposition of certain fees; to provide for the disposition of fees and other income received by the state agencies; to provide for reports to certain persons; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

(For text of conference report, see House Journal No. 55, p. 1987.)

The Senate has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor on July 9, 2002.

#### 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.

(For text of second conference report, see House Journal No. 57, p. 2167.)

The Senate has adopted the report of the second Committee of Conference and ordered that the bill be given immediate effect.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor on July 9, 2002.

## House Bill No. 5646, entitled

A bill to make, supplement, and adjust appropriations for the departments of attorney general, civil rights, civil service, information technology, management and budget, state, and treasury, the executive office, and the legislative branch for the fiscal years ending September 30, 2002 and September 30, 2003; to provide for the expenditure of these appropriations; to provide for the funding of certain work projects; to provide for the imposition of certain fees; to establish or continue certain funds, programs, and categories; to transfer certain funds; to prescribe certain requirements for bidding on state contracts; to provide for disposition of year-end balances for the fiscal year ending September 30, 2003; to prescribe the powers and duties of certain principal executive departments and state agencies, officials, and employees; and to provide for the disposition of fees and other income received by the various principal executive departments and state agencies.

(For text of conference report, see House Journal No. 60, p. 2324.)

The Senate has adopted the report of the Committee of Conference and ordered that the bill be given immediate

The bill was referred to the Clerk for enrollment printing and presentation to the Governor on July 9, 2002.

## House Bill No. 5647, entitled

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

(For text of conference report, see House Journal No. 55, p. 1999.)

The Senate has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor on July 9, 2002.

#### House Bill No. 5650, entitled

A bill to make appropriations for the department of state police and certain other state purposes for the fiscal year ending September 30, 2003; to provide for the expenditure of those appropriations; to provide for certain reports and the consideration of those reports; to provide for the disposition of other income received by the various state agencies; to provide for the testing of certain persons; to provide for certain emergency powers; and to provide for the powers and duties of certain committees, certain state agencies, and certain employees.

(For text of conference report, see House Journal No. 59, p. 2251.)

The Senate has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor on July 9, 2002.

## **Messages from the Senate**

#### House Bill No. 5248, entitled

A bill to amend 1993 PA 327, entitled "Tobacco products tax act," by amending sections 7 and 12 (MCL 205.427 and 205.432), as amended by 1997 PA 187, and by adding section 6c.

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

The House agreed to the full title.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor on July 9, 2002.

## House Bill No. 5457, entitled

A bill to amend 1976 PA 448, entitled "Michigan energy employment act of 1976," by amending section 5 (MCL 460.805).

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

The House agreed to the full title.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor on July 9, 2002.

## House Bill No. 5458, entitled

A bill to amend 1976 PA 448, entitled "Michigan energy employment act of 1976," by amending section 44 (MCL 460.844).

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

The House agreed to the full title.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor on July 9, 2002.

## House Bill No. 5459, entitled

A bill to amend 1976 PA 448, entitled "Michigan energy employment act of 1976," by amending section 40 (MCL 460.840).

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

The House agreed to the full title.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor on July 9, 2002.

#### House Bill No. 5881, entitled

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 6, 11, 11f, 11g, 20, 22a, 22b, 24, 26a, 31a, 31d, 32a, 32b, 32c, 32d, 32f, 39a, 41, 51a, 51c, 51d, 53a, 54, 55, 56, 57, 61a, 62, 67, 68, 74, 81, 94, 94a, 96, 98, 99, 99a, 104a, 107, 108, and 147 (MCL 388.1606, 388.1611, 388.1611f, 388.1611g, 388.1620, 388.1622a, 388.1622b, 388.1624, 388.1626a, 388.1631a, 388.1631d, 388.1632a, 388.1632b, 388.1632c, 388.1632d, 388.1632f, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1653a, 388.1654, 388.1655, 388.1656, 388.1657, 388.1661a, 388.1662, 388.1667, 388.1668, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1696, 388.1698, 388.1699, 388.1699a, 388.1704a, 388.1707, 388.1708, and 388.1747), sections 6, 11, 11f, 11g, 20, 22a, 22b, 24, 26a, 31a, 31d, 32a, 32b, 32c, 32d, 32f, 41, 51a, 51c, 53a, 54, 56, 57, 61a, 62, 67, 68, 74, 81, 94, 94a, 96, 98, 99, 107, 108, and 147 as amended and sections 39a, 51d, 55, and 99a as added by 2002 PA 191 and section 104a as amended by 1999 PA 119; and to repeal acts and parts of acts.

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

The House agreed to the full title.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor on July 9, 2002.

#### House Bill No. 5883, entitled

A bill to amend 1984 PA 431, entitled "An act to prescribe the powers and duties of the department of management and budget; to define the authority and functions of its director and its organizational entities; to authorize the department to issue directives; to provide for the capital outlay program; to provide for the leasing, planning, constructing, maintaining, altering, renovating, demolishing, conveying of lands and facilities; to provide for centralized administrative services such as purchasing, payroll, record retention, data processing, and publishing and for access to certain services; to provide for a system of internal accounting and administrative control for certain principal departments; to provide for an internal auditor in certain principal departments; to provide for certain powers and duties of certain state officers and agencies; to codify, revise, consolidate, classify, and add to the powers, duties, and laws relative to budgeting, accounting, and the regulating of appropriations; to provide for the implementation of certain constitutional provisions; to create funds and accounts; to make appropriations; to prescribe remedies and penalties; to rescind certain executive reorganization orders; to prescribe penalties; and to repeal certain acts and parts of acts," by amending sections 237, 353c, and 358 (MCL 18.1237, 18.1353c, and 18.1358), section 237 as amended by 1999 PA 8, section 353c as amended by 2001 PA 161, and section 358 as amended by 2000 PA 189, and by adding section 237b.

The Senate has concurred in the House substitute (H-3) to the Senate substitute (S-1).

The bill was referred to the Clerk for enrollment printing and presentation to the Governor on July 9, 2002.

#### House Bill No. 5336, entitled

A bill to amend 1989 PA 24, entitled "An act to provide for the establishment and maintenance of district libraries; to provide for district library boards; to define the powers and duties of certain state and local governmental entities; to prescribe penalties and provide remedies; and to repeal acts and parts of acts," by amending sections 6, 12, 14, and 25 (MCL 397.176, 397.182, 397.184, and 397.195), and by adding section 25a.

The Senate has concurred in the House substitute (H-3) to the Senate substitute (S-2).

The bill was referred to the Clerk for enrollment printing and presentation to the Governor on July 10, 2002.

## House Bill No. 5365, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending sections 217, 234, and 717 (MCL 257.217, 257.234, and 257.717), section 217 as amended by 2000 PA 397, section 234 as amended by 2000 PA 151, and section 717 as amended by 2002 PA 453.

The Senate has concurred in the House substitute (H-1)\* to the Senate substitute (S-2), agreed to the title of the bill as amended and pursuant to Joint Rule 20, inserted the full title.

The House agreed to the full title.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor on July 10, 2002.

#### 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 concurred in the House substitute (H-6) to the Senate substitute (S-1) and pursuant to Joint Rule 20, inserted the full title.

The House agreed to the full title.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor on July 10, 2002.

#### House Concurrent Resolution No. 68.

A concurrent resolution prescribing the legislative schedule.

(For text of resolution, see House Journal No. 61, p. 2385.)

The Senate has adopted the concurrent resolution.

The concurrent resolution was referred to the Clerk for record.

#### Senate Concurrent Resolution No. 66.

A concurrent resolution condemning the decision of the Ninth United States Circuit Court of Appeals that ruled that the Pledge of Allegiance is unconstitutional.

Whereas, The decision of the Ninth United States Circuit Court of Appeals that the Pledge of Allegiance to the American flag is unconstitutional is an error that cannot be allowed to stand as our nation's law. In this time of war, especially, we are shocked that an expression of devotion and loyalty to our nation's flag and the freedoms it represents should be struck down by a three-judge panel of the Ninth Circuit; and

Whereas, The Ninth Circuit's ruling that the words "under God" somehow represent the establishment of an official state church in violation of the Establishment Clause of the United States Constitution is ludicrous. No state church has been established in the decades since those words were added to the Pledge of Allegiance during the Eisenhower administration. The freedom to believe and practice any religion, or to believe and practice no religion at all, is an ingrained part of our society. The feared terrible impact of reciting "under God" in our Pledge of Allegiance, should a person choose to do so, has not and will not happen; and

Whereas, Should the Ninth Circuit fail to correct this ruling, the United States Supreme Court should reverse this ruling as a gross misinterpretation of our Constitution and astounding lack of common sense. Our flag unites us, regardless of our heritage. Our Pledge of Allegiance to our flag, which represents all the freedoms we cherish and defend, must be preserved; now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That we condemn the decision of the Ninth United States Circuit Court of Appeals that ruled that the Pledge of Allegiance is unconstitutional; and be it further

Resolved, That copies of this resolution be transmitted to the judges of the Ninth United States Circuit Court of Appeals, the justices of the United States Supreme Court, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

The Senate has adopted the concurrent resolution.

The concurrent resolution was referred to the Committee on House Oversight and Operations.

Reps. Spade, Middaugh, Palmer, Toy, Vander Veen, Hummel, Mead, Gilbert, DeWeese, Stamas, Drolet, Gosselin, Van Woerkom, Kuipers, Bovin, Vander Roest, Ehardt, DeVuyst, Richardville, Zelenko, Voorhees, Switalski, Rich Brown, Schermesser, McConico, Raczkowski, Basham, Faunce, Shackleton, Caul, DeRossett, Pappageorge, Rocca and Sheltrown were named co-sponsors of the concurrent resolution.

## **Reports of Standing Committees**

## COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Shulman, Chair of the Committee on Appropriations, was received and read:

Meeting held on: Tuesday, August 13, 2002, at 9:00 a.m.,

Present: Reps. Shulman, LaSata, Godchaux, Jelinek, Mead, Newell, Pumford, Shackleton, Stamas, Toy, Vander Roest, Rich Brown, Clarke, Lockwood, Pestka, Phillips, Switalski, Whitmer,

Absent: Reps. Cameron Brown, Caul, Jansen, Kooiman, Mortimer, Pappageorge, Stewart, Frank, Plakas, Reeves, Stallworth.

Excused: Reps. Cameron Brown, Caul, Jansen, Kooiman, Mortimer, Pappageorge, Stewart, Frank, Plakas, Reeves, Stallworth.

## Announcement by the Clerk of Printing and Enrollment

The Clerk announced that the following bills and joint resolution had been printed and placed upon the files of the members, Wednesday, July 3:

House Bill Nos. 6233 6234 6235 6236 6237 6238 6239 6240 6241 6242 6243 6244

House Joint Resolution AA

The Clerk announced the enrollment printing and presentation to the Governor on Tuesday, July 9, for his approval of the following bills:

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Enrolled House Bill No. 4414 at 2:30 p.m. Enrolled House Bill No. 4719 at 2:32 p.m. Enrolled House Bill No. 4990 at 2:34 p.m. Enrolled House Bill No. 5860 at 2:36 p.m. Enrolled House Bill No. 6002 at 2:38 p.m. Enrolled House Bill No. 6066 at 2:40 p.m. Enrolled House Bill No. 6071 at 2:42 p.m.
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The Clerk announced the enrollment printing and presentation to the Governor on Thursday, July 11, for his approval of the following bills:

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Enrolled House Bill No. 5642 at 2:50 p.m.
Enrolled House Bill No. 5643 at 2:52 p.m.
Enrolled House Bill No. 5648 at 2:54 p.m.
Enrolled House Bill No. 5649 at 2:56 p.m.
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The Clerk announced the enrollment printing and presentation to the Governor on Friday, July 12, for his approval of the following bills:

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Enrolled House Bill No. 5248 at 11:10 a.m. Enrolled House Bill No. 5457 at 11:12 a.m. Enrolled House Bill No. 5458 at 11:14 a.m. Enrolled House Bill No. 5459 at 11:16 a.m. Enrolled House Bill No. 5644 at 11:18 a.m. Enrolled House Bill No. 5645 at 11:20 a.m. Enrolled House Bill No. 5646 at 11:22 a.m. Enrolled House Bill No. 5647 at 11:24 a.m. Enrolled House Bill No. 5883 at 11:26 a.m.
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The Clerk announced the enrollment printing and presentation to the Governor on Monday, July 15, for his approval of the following bills:

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Enrolled House Bill No. 5336 at 2:00 p.m. Enrolled House Bill No. 5365 at 2:02 p.m. Enrolled House Bill No. 5650 at 2:04 p.m. Enrolled House Bill No. 6074 at 2:06 p.m. Enrolled House Bill No. 5881 at 2:08 p.m. Enrolled House Bill No. 4373 at 2:10 p.m.
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Rep. Lipsey moved that Rep. Quarles be excused temporarily from today's session. The motion prevailed.

## Messages from the Governor

The following line items veto message from the Governor was received and read:

Executive Office, Lansing, July 25, 2002

Michigan House of Representatives State Capitol Building Lansing, Michigan 48913

## Ladies and Gentlemen:

Today I have signed Enrolled House Bill 5646, the fiscal year 2003 General Government budget bill, which provides funding for the departments of Attorney General, Civil Rights, Civil Service, Information Technology,

Management and Budget, State, Treasury, the Executive Office, and the Legislature. However, I am returning it to you because of three items of which I disapprove, pursuant to Article V, Section 19 of the Michigan Constitution. The vetoes are contained in the attached copy of the bill, which has been filed with the Secretary of State.

My action today provides \$2.1 billion to support essential government functions. Among other items, this bill:

- Provides \$10.7 million in federal support to implement the federal "No Child Left Behind Act of 2001" to bolster accountability in education.
- Provides \$4.8 million for increased security services in public buildings.
- Includes \$2.9 million for health and safety, commercial mobile radio services, and senior citizen cooperative housing tax exemption grants to local units of government, consistent with statutory requirements.
- Transfers \$424.0 million from state agencies to the Department of Information Technology. This new agency will strengthen central decision-making, provide for an integrated statewide technology plan, and improve information management.
- Provides \$2.4 million to implement a state-of-the-art system to manage the state's pension and revenue investments.
- Provides \$3.1 million to fully establish a tax reverted property system for tax delinquent homes to facilitate restoring those properties to productive use.
- Provides \$2.2 million to establish an electronic motor fuel system to improve tax compliance, revenue collection and information exchanges between the United States and Canada.

Unfortunately, the proposed constitutional amendments which will be decided this November would seriously constrain our ability to finance the appropriations in this budget and the balance of state government. Given this uncertainty, I have reluctantly vetoed statutory revenue sharing grants to local units of government in order to maximize the state's flexibility to address the general fund financing shortfalls that will occur if the ballot initiatives are adopted. Even with this veto, the budget still contains almost \$680 million in constitutional revenue sharing payments to local governments. I am willing to restore funding for statutory revenue sharing payments in November when there is more certainty about the outcome and impact of the ballot initiatives and the continuing economic slump.

In addition, I have also vetoed \$9.9 million for grants to local governmental units and related boilerplate Section 972. These one-time grants were intended to compensate local governmental units whose fiscal year 2003 revenue sharing payments were less than fiscal year 2002 revenue sharing payments.

Lastly, I have vetoed \$1.0 million in State Services Fee Fund revenues for the development and implementation of a vertical driver license and personal identification card program for persons under the age of 21. While such a program may have merit, I believe that this is an inappropriate use of the State Services Fee Fund and that the \$1.0 million cost is excessive.

This action completes the fiscal year 2003 General Government appropriation. I commend the Legislature for its timely work on this important bill.

Sincerely, John Engler Governor

The bill was signed by the Governor July 25, 2002, at 12:28 p.m.

The bill was filed with the Secretary of State, July 25, 2002, at 5:00 p.m., and assigned Public Act No. 528, I.E.

The question being on the passage of the disapproved items, the objections of the Governor to the contrary notwithstanding,

The disapproved items were then passed, 2/3 of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 1037 Yeas—105

Adamini Frank Allen Garza Anderson Gieleghem Basham Gilbert Bernero Godchaux Birkholz Gosselin Bisbee Hager Hale Bishop **Bogardus** Hansen Bovin Hardman

Lipsey
Lockwood
Mans
McConico
Mead
Meyer
Middaugh
Minore
Mortimer
Murphy

Schauer Schermesser Scranton Shackleton Sheltrown Shulman Spade Stallworth Stamas Stewart Bradstreet Hart Brown, B. Howell Brown, C. Hummel Brown, R. Jacobs Callahan Jamnick Cassis Jansen Caul Jelinek Clark, I. Johnson, Rick Clarke, H. Johnson, Ruth **Daniels** Julian Dennis Koetje Kolb **DeRossett DeVuvst** Kooiman DeWeese Kowall

Newell
O'Neil
Palmer
Pappageorge
Patterson
Pestka
Phillips
Plakas
Pumford
Raczkowski
Reeves
Richardville
Rison
Rivet
Rocca

Neumann

Vander Roest Vander Veen Vear Voorhees Waters Whitmer Williams Wojno Woodward Woronchak Zelenko

Switalski

Tabor

Toy

Thomas

Van Woerkom

Nays—1

Richner

Drolet

Ehardt

Faunce

In The Chair: Julian

Rep. Quarles, under Rule 33, made the following statement:

**Kuipers** 

LaSata

I was absent from the Chamber when the vote was taken on Roll Call No. 1037. Had I been present, I would have voted 'yea'."

By unanimous consent the House returned to the order of

#### Notices

The Speaker appointed as second conferees, on the part of the House of Representatives for **House Bill No. 5651**, Reps. Shackleton, Kooiman and Stallworth.

The bill was referred to the second Conference Committee on July 16, 2002.

August 13, 2002

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

## Dear Mr. Clerk:

Please make note in your records that Representative Nancy Cassis is hereby reinstated to the Committee on Redistricting and Elections. Representative Andrew Richner is removed from this committee.

Thank you for your attention to this matter.

Sincerely, Rick Johnson Speaker of the House

<sup>&</sup>quot;Mr. Speaker and members of the House:

#### **Messages from the Governor**

The following message from the Governor was received July 25, 2002 and read:

## EXECUTIVE ORDER No. 2002 - 12

# MICHIGAN HIGHER EDUCATION ASSISTANCE AUTHORITY MICHIGAN HIGHER EDUCATION FACILITIES AUTHORITY

## MICHIGAN HIGHER EDUCATION STUDENT LOAN AUTHORITY

## MICHIGAN MUNICIPAL BOND AUTHORITY

#### STATE HOSPITAL FINANCE AUTHORITY

#### DEPARTMENT OF TREASURY

#### **EXECUTIVE REORGANIZATION**

WHEREAS, Article V, Section 1, of the Constitution of the state of Michigan of 1963 vests the executive power in the Governor; and

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

WHEREAS, the Department of Treasury serves as the fiscal agent for various state authorities, including the Michigan Higher Education Assistance Authority, the Michigan Higher Education Facilities Authority, the Michigan Hunicipal Bond Authority, and the State Hospital Finance Authority; and

WHEREAS, the Department of Treasury is responsible for various state investment and debt management and issuance functions and assists these authorities with debt issuance to ensure that these functions are accomplished in a coordinated, cost-efficient and effective manner; and

WHEREAS, the Michigan Higher Education Assistance Authority, the Michigan Higher Education Facilities Authority, the Michigan Higher Education Student Loan Authority, the Michigan Municipal Bond Authority, and the State Hospital Finance Authority currently maintain separate administrative staff, resulting in a duplication of tasks and structure; and

WHEREAS, sound management dictates combining the administrative staff of the Michigan Higher Education Assistance Authority, the Michigan Higher Education Facilities Authority, the Michigan Higher Education Student Loan Authority, the Michigan Municipal Bond Authority, and the State Hospital Finance Authority into a single work unit under the direction and supervision of the State Treasurer, thereby merging the administrative staff into a more efficient and coordinated management structure; and

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

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

## I. DEFINITIONS

As used herein:

- A. "Administrative staff" means any and all state classified personnel who perform any function for the authorities covered by the provisions of this Executive Order.
- B. The "Department of Treasury" means the principal department created by Section 75 of Act No. 380 of the Public Acts of 1965, being Section 16.175 of the Michigan Compiled Laws.
- C. The "Michigan Higher Education Assistance Authority" means the non-profit authority created as an agency within the Department of Education by Section 1 of Act No. 77 of the Public Acts of 1960, as amended, being Section 390.951 of the Michigan Compiled Laws, and transferred to the Department of Treasury by Executive Order 1995-3, being Section 12.181 of the Michigan Compiled Laws.
- D. The "Michigan Higher Education Facilities Authority" means the public body corporate and politic created as an agency and instrumentality of the state within the Department of Education by Section 3 of Act. No. 295 of the Public

Acts of 1969, as amended, being Section 390.923 of the Michigan Compiled Laws, and transferred to the Department of Treasury by Executive Order 1992-2, being Section 390.940 of the Michigan Compiled Laws.

- E. The "Michigan Higher Education Student Loan Authority" means the public body corporate and politic created within the Department of Education by Section 3 of Act No. 222 of the Public Acts of 1975, as amended, being Section 390.1153 of the Michigan Compiled Laws, and transferred to the Department of Treasury by Executive Order 1995-3, being Section 12.181 of the Michigan Compiled Laws.
- F. The "Michigan Municipal Bond Authority" means the body corporate, separate and distinct from the state, created within the Department of Treasury by Act No. 227 of the Public Acts of 1985, as amended, being Section 141.1051 et seq. of the Michigan Compiled Laws.
- G. The "State Hospital Finance Authority" means the public body corporate and politic of the state created within the Department of Treasury by Section 11 of Act No. 38 of 1969, as amended, being Section 331.41 of the Michigan Compiled Laws.

### II. TRANSFERS

- A. The administrative staff of the Michigan Higher Education Assistance Authority, the Michigan Higher Education Facilities Authority, the Michigan Higher Education Student Loan Authority, the Michigan Municipal Bond Authority, and the State Hospital Finance Authority are hereby combined into a single work unit under the direction and supervision of the State Treasurer, thereby merging the administrative staff from each separate authority into this work unit.
- B. The Michigan Higher Education Assistance Authority, the Michigan Higher Education Facilities Authority, the Michigan Higher Education Student Loan Authority, the Michigan Municipal Bond Authority, and the State Hospital Finance Authority shall retain, with the exception of those functions set forth in paragraph II. C., all of the remaining statutory authority, powers, duties, and responsibilities, which they have and shall continue to exercise independently of the State Treasurer. These functions shall include, but not be limited to, the functions of rule-making, adjudication, licensing and regulation, and the prescription of rules, rates, regulations and standards as applicable. This transfer is subject to any agreement executed prior to the issuance of this order with note holders, bond holders or issuers of instruments that are guaranteed.
- C. All administrative functions, including budgeting, procurement, personnel, and management functions related to the administrative staff of the Michigan Higher Education Assistance Authority, the Michigan Higher Education Facilities Authority, the Michigan Higher Education Student Loan Authority, the Michigan Municipal Bond Authority, and the State Hospital Finance Authority, including, but not limited to, the statutory authority, powers, duties and responsibilities related to administrative staff set forth in:
  - 1. Section 7(d) of Act No. 77 of the Public Acts of 1960, as amended, being Section 390.957(d) of the Michigan Compiled Laws (power of Michigan Higher Education Assistance Authority to competitively contract for services, including contracts related to administrative staff);
  - 2. Section 4(1) of Act No. 295 of the Public Acts of 1969, as amended, being Section 390.924(1) of the Michigan Compiled Laws (power of Michigan Higher Education Facilities Authority to appoint employees, describe their duties and fix their compensation subject to the civil service laws of the state);
  - 3. Section 4(k) of Act No. 222 of the Public Acts of 1975, as amended, being Section 390.1154(k) of the Michigan Compiled Laws (power of Michigan Higher Education Student Loan Authority to appoint employees, describe their duties and fix their compensation subject to the rules promulgated by the state department of civil service);
  - 4. Section 6(1) of Act No. 227 of the Public Acts of 1985, as amended, being Section 141.1056(1) of the Michigan Compiled Laws (power of Michigan Municipal Bond Authority Board to employ permanent or temporary employees); and
  - 5. Section 12(j) of Act No. 38 of the Public Acts of 1969, as amended, being Section 331.42(j) of the Michigan Compiled Laws (power of the State Hospital Finance Authority to engage necessary personnel)

are hereby transferred to the State Treasurer.

D. The State Treasurer shall hereafter function as the appointing authority for the state classified administrative staff employees of the Michigan Higher Education Assistance Authority, the Michigan Higher Education Facilities Authority, the Michigan Higher Education Student Loan Authority, the Michigan Municipal Bond Authority, and the State Hospital Finance Authority.

## III. MISCELLANEOUS

A. The State Treasurer shall, in the State Treasurer's discretion, ensure that the administrative staff resources available to the Michigan Higher Education Assistance Authority, the Michigan Higher Education Facilities Authority, the Michigan Higher Education Student Loan Authority, the Michigan Municipal Bond Authority, and the State Hospital Finance Authority are sufficient to perform the functions of the respective authorities as provided for by law.

- B. The State Treasurer shall provide executive direction and supervision for the implementation of the transfer made under this Order. The assigned functions shall be administered under the direction and supervision of the State Treasurer.
- C. The State Treasurer shall administer the assigned functions transferred by this Order in such ways as to promote efficient administration and shall make internal organizational changes as may be administratively necessary to complete the realignment of responsibilities prescribed by this Order.
- D. All records, personnel, property, grants and unexpended balances of appropriations, allocations and other funds used, held, employed, available or to be made available for the activities, power, duties, functions and responsibilities transferred by this Order are hereby transferred to the State Treasurer.
- E. The State Budget Director shall determine and authorize the most efficient manner possible for handling financial transactions and records in the state's financial management system for the remainder of the year.
- F. All rules, orders, contracts, grants and agreements relating to the functions transferred to the Department of Treasury or the State Treasurer by this Order lawfully adopted prior to the effective date of this Order by the responsible state agency shall continue to be effective until revised, amended or rescinded.
- G. Any suit, action or other proceeding lawfully commenced by, against or before any entity affected by this Order, shall not abate by reason of the taking effect of this Order. Any suit, action or other proceeding may be maintained by, against or before the appropriate successor of any entity affected by this Order.
  - H. The invalidity of any portion of this Order shall not affect the validity of the remainder thereof.

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

[SEAL]

Given under my hand and the Great Seal of the state of Michigan this 25th day of July, in the Year of our Lord, Two Thousand Two.

John Engler Governor By the Governor: Candice S. Miller Secretary of State

The message was referred to the Clerk.

The following message from the Governor was received August 1, 2002 and read:

EXECUTIVE ORDER No. 2002 - 13

#### OFFICE OF THE STATE EMPLOYER

## DEPARTMENT OF MANAGEMENT AND BUDGET

## DEPARTMENT OF CIVIL SERVICE

## **EXECUTIVE REORGANIZATION**

WHEREAS, Article V, Section 1, of the Constitution of the State of Michigan of 1963 vests the executive power in the Governor: and

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

WHEREAS, Article XI, Section 5, of the Constitution of the State of Michigan of 1963 empowers the Michigan Civil Service Commission to fix rates of compensation for all classes of positions, to make rules and regulations covering all personnel transactions, and to regulate all conditions of employment in the state classified service; and

WHEREAS, the Office of State Employer currently administers the state employee benefit programs; and

WHEREAS, Executive Order 1996-5, being Section 38.1171 of the Michigan Compiled Laws, transferred the state employee benefit programs from the Department of Civil Service to the Department of Management and Budget, and the Director of the Department of Management and Budget delegated their administration to the Office of the State Employer; and

WHEREAS, the Office of the State Employer also administers the employee Quality Recognition System; and WHEREAS, the state employee benefit programs and the Quality Recognition System may be more effectively and efficiently administered and coordinated within the Department of Civil Service following the statewide implementation of the Human Resource Management Network.

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

#### I. DEFINITIONS

As used herein:

- A. The "Department of Civil Service" means the principal department of state government created by Section 200 of Act No. 380 of the Public Acts of 1965, being Section 16.300 of the Michigan Compiled Laws. Pursuant to Section 201 of Act No. 380 of the Public Acts of 1965, being Section 16.301 of the Michigan Compiled Laws, the head of which is the Civil Service Commission.
- B. The "Department of Management and Budget" means the principal department of state government created by Section 121 of Act No. 431 of the Public Acts of 1984, being Section 18.1121 of the Michigan Compiled Laws.

C. The "state employee benefit programs" means:

- the health screening program;
- the group insurance plans for medical, dental, vision, disability, life, and long-term care benefits;
- pretax benefit programs; and
- the COBRA and other insurance continuation programs.
- D. The "Office of the State Employer" means the office created within the Department of Management and Budget by Executive Order 1979-5, whose duties include, but are not limited to, those assigned by Executive Orders 1979-5, 1981-3 and 1988-6.
- E. The "Quality Recognition System" means the suggestion awards program and quality recognition system authorized by Act No. 325 of the Public Acts of 1978, as amended, being Sections 38.1161 et seq. of the Michigan Compiled Laws

## II. TRANSFER

All of the authority, powers, duties, functions, and responsibilities of the Office of the State Employer and the Department of Management and Budget related to the administration of state employee benefit programs and the Quality Recognition System are hereby transferred from the Office of the State Employer and the Department of Management and the Budget to the Department of Civil Service by Type II transfer, as defined by Section 3 of Act No. 380 of the Public Acts of 1965, as amended, being Section 16.103 of the Michigan Compiled Laws, to the Department of Civil Service.

## III. MISCELLANEOUS

- A. The State Personnel Director, in cooperation with the Director of the Office of the State Employer and the Director of the Department of Management and Budget, shall provide executive direction and supervision for the implementation of the transfer.
- B. The State Budget Director shall determine and authorize the most efficient manner possible for handling financial transactions and records in the state's financial management system.
- C. All records, personnel, property, and funds of the state employee benefit programs and Quality Recognition System used, held, employed, available to, or to be made available to the Office of the State Employer and the Department of Management and Budget for the powers, duties, functions, and responsibilities transferred to the Department of Civil Service by this Order are hereby transferred to the Department of Civil Service.
- D. All rules, orders, contracts, agreements, or other obligations relating to the state employee benefit programs and Quality Recognition System lawfully adopted prior to the effective date of this Order shall continue to be effective until revised, amended, or repealed.
- E. Any suit, action, or other proceeding lawfully commenced by, against, or before any entity affected by this order shall not abate by reason of the taken effect of this order.
- F. Nothing contained in this Order shall diminish or limit the authority of the Civil Service Commission to exercise any authority granted to it under Article XI, Section 5 of the Constitution of the State of Michigan of 1963.
  - G. The invalidity of any portion of this Order shall not affect the validity of the remainder thereof.
- In fulfillment of the requirement of Article V, Section 2, of the Constitution of the State of Michigan of 1963, the provisions of this Executive Order shall become effective on October 1, 2002.

[SEAL]

Given under my hand and the Great Seal of the state of Michigan this 1st day of August, in the Year of our Lord, Two Thousand Two.

John Engler Governor By the Governor: Candice S. Miller Secretary of State The following message from the Governor was received August 2, 2002 and read:

## EXECUTIVE ORDER No. 2002 - 14

## **NEW E-MICHIGAN OFFICE**

#### NEW E-MICHIGAN ADVISORY COUNCIL

#### DEPARTMENT OF INFORMATION TECHNOLOGY

#### EXECUTIVE REORGANIZATION

WHEREAS, Article V, Section 1, of the Constitution of the state of Michigan of 1963 vests the executive power in the Governor; and

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

WHEREAS, the new e-Michigan Office was created to expand the delivery of trusted online cross-agency government services through the award-winning Michigan.gov Internet portal; and

WHEREAS, the Department of Information Technology was created to promote a unified approach to information technology management across all executive branch agencies and is now ready to implement that goal; and

WHEREAS, the functions, duties and responsibilities currently assigned to the new e-Michigan Office can be more effectively carried out by Department of Information Technology; and

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

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

## I. DEFINITIONS

As used herein:

- A. "Department of Information Technology" means the principal department of state government created by Executive Order 2001-3, being Section 18.41 of the Michigan Compiled Laws.
- B. "New e-Michigan Office" means the Type I agency established within the Department of Information Technology by Executive Order 2002-2.
- C. "New e-Michigan Advisory Council" means the advisory body created within the new e-Michigan Office by Executive Order 2002-2.

## II. TRANSFER

- A. All of the authority, powers, functions, duties, and responsibilities of the new e-Michigan Office are transferred to the Department of Information Technology by Type III transfer as defined by Section 3 of Act No. 380 of the Public Acts of 1965, as amended, being Section 16.103 of the Michigan Compiled Laws. The new e-Michigan Office is hereby abolished.
- B. All of the authority, powers, functions, duties, and responsibilities of the new e-Michigan Advisory Council are transferred to the Department of Information Technology by Type III transfer as defined by Section 3 of Act No. 380 of the Public Acts of 1965, as amended, being Section 16.103 of the Michigan Compiled Laws. The new e-Michigan Advisory Council is hereby abolished.

#### III. MISCELLANEOUS

- A. The Director of the Department of Information Technology or the designee of the Director shall provide executive direction and supervision for the implementation of the transfers made under this Order.
- B. The Director of the Department of Information Technology or the designee of the Director shall administer the assigned functions transferred by this Order in such ways as to promote efficient administration and shall make internal organizational changes as may be administratively necessary to complete the realignment of responsibilities prescribed by this Order.
- C. The Director of the Department of Information Technology shall immediately initiate coordination with the Director of the new e-Michigan Office to facilitate the transfers and develop memoranda of record identifying any pending settlements, issues of compliance with applicable federal and state laws and regulations, or other obligations to be resolved by the Department of Information Technology.
- D. All records, personnel, property, grants, and unexpended balances of appropriations, allocations, and other funds used, held, employed, available, or to be made available for the activities, power, duties, functions, and responsibilities transferred by this Order shall be transferred to the Department of Information Technology.

- E. The State Budget Director shall determine and authorize the most efficient manner possible for handling financial transactions and records in the state's financial management system for the remainder of the year.
- F. The Department of Information Technology may accept grants of funds and donations of funds, property, labor, or other things of value from any department or office of the State of Michigan and the United States and from any other public or private office or person for the purpose of furthering online government services.
- G. The Director of the Department of Information Technology may, by written instrument, delegate a duty or power conferred by law or this Order, and the person to whom such duty or power is so delegated may perform such duty or exercise such power at the time and to the extent delegated by the Director of the Department of Information Technology.
- H. All rules, orders, contracts, and agreements relating to the functions transferred to the Department of Information Technology by this Order shall continue to be effective until revised, amended, or rescinded.
- I. Any suit, action, or other proceeding lawfully commenced by, against, or before any entity affected by this Order, shall not abate by reason of this Order. Any suit, action, or other proceeding may be maintained by, against, or before the appropriate successor of any entity affected by this Order.
  - J. The invalidity of any portion of this Order shall not affect the validity of the remainder thereof.

In fulfillment of the requirement of Article V, Section 2, of the Constitution of the state of Michigan of 1963, the provisions of this Executive Order shall become effective on October 1, 2002.

[SEAL]

Given under my hand and the Great Seal of the state of Michigan this 2nd day of August, in the Year of our Lord, Two Thousand Two.

John Engler Governor By the Governor: Candice S. Miller Secretary of State

The message was referred to the Clerk.

The following messages from the Governor, approving and signing the following bills at the times designated below, were received and read:

Date: July 2, 2002 Time: 10:40 a.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

#### Enrolled House Bill No. 5362 (Public Act No. 490, I.E.), being

An act to amend 1949 PA 300, entitled "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," by amending section 803 (MCL 257.803).

(Filed with the Secretary of State July 3, 2002, at 1:00 p.m.)

Date: July 2, 2002 Time: 10:45 a.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 5360 (Public Act No. 491, I.E.), being

An act to amend 1949 PA 300, entitled "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," by amending section 251 (MCL 257.251), as amended by 2000 PA 397.

(Filed with the Secretary of State July 3, 2002, at 1:02 p.m.)

Date: July 2, 2002 Time: 10:02 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 5819 (Public Act No. 495, I.E.), being

An act to amend 1980 PA 299, entitled "An act to revise, consolidate, and classify the laws of this state regarding the regulation of certain occupations; to create a board for each of those occupations; to establish the powers and duties of certain departments and agencies and the boards of each occupation; to provide for the promulgation of rules; to provide for certain fees; to provide for penalties and civil fines; to establish rights, relationships, and remedies of certain persons under certain circumstances; to repeal certain parts of this act on a specific date; and to repeal certain acts and parts of acts," by amending sections 2012 and 2014 (MCL 339.2012 and 339.2014), as amended by 1992 PA 103.

(Filed with the Secretary of State July 3, 2002, at 1:10 p.m.)

Date: July 2, 2002 Time: 10:10 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 5380 (Public Act No. 496, I.E.), being

An act to amend 1994 PA 451, entitled "An act to protect the environment and natural resources of the state; to codify, revise, consolidate, and classify laws relating to the environment and natural resources of the state; to regulate the discharge of certain substances into the environment; to regulate the use of certain lands, waters, and other natural resources of the state; to prescribe the powers and duties of certain state and local agencies and officials; to provide for certain charges, fees, and assessments; to provide certain appropriations; to prescribe penalties and provide remedies; to repeal certain parts of this act on a specific date; and to repeal certain acts and parts of acts," 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 by adding sections 16903b and 16903c; and to repeal acts and parts of acts.

(Filed with the Secretary of State July 3, 2002, at 1:12 p.m.)

Date: July 2, 2002 Time: 10:15 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 5383 (Public Act No. 498, I.E.), being

An act 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, 18b, 18e, and 20a (MCL 247.651b, 247.660c, 247.660h, 247.661, 247.661c, 247.662, 247.668b, 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 sections 18b and 18e as amended by 1985 PA 201.

(Filed with the Secretary of State July 3, 2002, at 1:16 p.m.)

Date: July 2, 2002 Time: 10:17 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 5396 (Public Act No. 499, I.E.), being

An act 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.

(Filed with the Secretary of State July 3, 2002, at 1:18 p.m.)

Date: July 18, 2002 Time: 4:00 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 5248 (Public Act No. 503, I.E.), being

An act to amend 1993 PA 327, entitled "An act to provide for a tax upon the sale and distribution of tobacco products; to regulate and license manufacturers, wholesalers, secondary wholesalers, vending machine operators,

unclassified acquirers, transportation companies, transporters, and retailers of tobacco products; to prescribe the powers and duties of the revenue division and the department of treasury in regard to tobacco products; to provide for the administration, collection, and disposition of the tax; to provide for the enforcement of this act; to provide for the appointment of special investigators as peace officers for the enforcement of this act; to prescribe penalties and provide remedies for the violation of this act; and to repeal acts and parts of acts," by amending sections 7 and 12 (MCL 205.427 and 205.432), as amended by 1997 PA 187, and by adding section 6c.

(Filed with the Secretary of State July 18, 2002, at 4:08 p.m.)

Date: July 19, 2002 Time: 1:35 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 5883 (Public Act No. 504, I.E.), being

An act to amend 1984 PA 431, entitled "An act to prescribe the powers and duties of the department of management and budget; to define the authority and functions of its director and its organizational entities; to authorize the department to issue directives; to provide for the capital outlay program; to provide for the leasing, planning, constructing, maintaining, altering, renovating, demolishing, conveying of lands and facilities; to provide for centralized administrative services such as purchasing, payroll, record retention, data processing, and publishing and for access to certain services; to provide for a system of internal accounting and administrative control for certain principal departments; to provide for an internal auditor in certain principal departments; to provide for certain powers and duties of certain state officers and agencies; to codify, revise, consolidate, classify, and add to the powers, duties, and laws relative to budgeting, accounting, and the regulating of appropriations; to provide for the implementation of certain constitutional provisions; to create funds and accounts; to make appropriations; to prescribe remedies and penalties; to rescind certain executive reorganization orders; to prescribe penalties; and to repeal certain acts and parts of acts," by amending sections 237, 353c, and 358 (MCL 18.1237, 18.1353c, and 18.1358), section 237 as amended by 1999 PA 8, section 353c as amended by 2001 PA 161, and section 358 as amended by 2000 PA 189, and by adding section 237b.

(Filed with the Secretary of State July 19, 2002, at 1:46 p.m.)

Date: July 19, 2002 Time: 2:00 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 5860 (Public Act No. 505, I.E.), being

An act to amend 1893 PA 206, entitled "An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes on property, and for the collection of taxes levied; making those taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale or forfeiture and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection with property delinquent for taxes; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal acts and parts of acts," by amending section 42a (MCL 211.42a), as amended by 1994 PA 415.

(Filed with the Secretary of State July 19, 2002, at 2:50 p.m.)

Date: July 19, 2002 Time: 2:06 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 4719 (Public Act No. 507), being

An act 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 provide for an appropriation and supplements; 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 section 12541 (MCL 333.12541).

(Filed with the Secretary of State July 19, 2002, at 2:54 p.m.)

Date: July 23, 2002 Time: 11:15 a.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 6066 (Public Act No. 508, I.E.), being

An act to amend 2001 PA 63, entitled "An act to create a department of history, arts, and libraries; to provide for its administration; and to provide for its powers, duties, functions, and responsibilities," by amending sections 2 and 21 (MCL 399.702 and 399.721) and by adding sections 7 and 22.

(Filed with the Secretary of State July 23, 2002, at 1:50 p.m.)

Date: July 23, 2002 Time: 11:10 a.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 4414 (Public Act No. 509, I.E.), being

An act to amend 1976 PA 451, entitled "An act to provide a system of public instruction and elementary and secondary schools; to revise, consolidate, and clarify the laws relating to elementary and secondary education; to provide for the organization, regulation, and maintenance of schools, school districts, public school academies, and intermediate school districts; to prescribe rights, powers, duties, and privileges of schools, school districts, public school academies, and intermediate school districts; to provide for the regulation of school teachers and certain other school employees; to provide for school elections and to prescribe powers and duties with respect thereto; to provide for the levy and collection of taxes; to provide for the borrowing of money and issuance of bonds and other evidences of indebtedness; to establish a fund and provide for expenditures from that fund; to provide for and prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to provide for licensure of boarding schools; to prescribe penalties; and to repeal acts and parts of acts," by amending sections 859, 1053, and 1059 (MCL 380.859, 380.1053, and 380.1059), section 1053 as amended by 1993 PA 9 and section 1059 as amended by 1992 PA 263.

(Filed with the Secretary of State July 23, 2002, at 1:52 p.m.)

Date: July 23, 2002 Time: 11:30 a.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 6002 (Public Act No. 510, I.E.), being

An act to amend 1933 PA 167, entitled "An act to provide for the raising of additional public revenue by prescribing certain specific taxes, fees, and charges to be paid to the state for the privilege of engaging in certain business activities; to provide, incident to the enforcement thereof, for the issuance of licenses to engage in such occupations; to provide for the ascertainment, assessment and collection thereof; to appropriate the proceeds thereof; and to prescribe penalties for violations of the provisions of this act," (MCL 205.51 to 205.78) by adding section 5b; and to repeal acts and parts of acts.

(Filed with the Secretary of State July 23, 2002, at 1:54 p.m.)

Date: July 23, 2002 Time: 11:55 a.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 6071 (Public Act No. 512, I.E.), being

An act to amend 1996 PA 376, entitled "An act to create and expand certain renaissance zones; to foster economic opportunities in this state; to facilitate economic development; to stimulate industrial, commercial, and residential improvements; to prevent physical and infrastructure deterioration of geographic areas in this state; to authorize expenditures; to provide exemptions and credits from certain taxes; to create certain obligations of this state and local governmental units; to require disclosure of certain transactions and gifts; to provide for appropriations; and to prescribe the powers and duties of certain state and local departments, agencies, and officials," by amending section 8a (MCL 125.2688a), as amended by 2000 PA 259.

(Filed with the Secretary of State July 23, 2002, at 1:58 p.m.)

Date: July 23, 2002 Time: 12:10 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 5457 (Public Act No. 513, I.E.), being

An act to amend 1976 PA 448, entitled "An act to prescribe the powers and duties of municipalities and governmental units to acquire, finance, maintain, and operate generating, transmission, and distribution facilities of electric power and energy, fuel and energy sources and reserves and all necessary related properties, equipment and facilities; to permit the exercise of those powers in joint venture or joint agency agreements; to provide for the issuance of bonds and notes; to prescribe the powers and duties of the municipal finance commission or its successor agency and of certain other state officers and agencies with respect to municipal electric utility financing; to create certain funds and prescribe their operation; to provide for tax exemptions and other exemptions; and to prescribe penalties and provide remedies," by amending section 5 (MCL 460.805).

(Filed with the Secretary of State July 23, 2002, at 2:00 p.m.)

Date: July 19, 2002 Time: 2:15 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 5649 (Public Act No. 514, I.E.), being

An act to make appropriations for the department of military and veterans affairs for the fiscal year ending 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.

(Filed with the Secretary of State July 25, 2002, at 1:12 p.m.)

Date: July 25, 2002 Time: 11:58 a.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 5881 (Public Act No. 521, I.E.), being

An act to amend 1979 PA 94, entitled "An act to make appropriations to aid in the support of the public schools and the intermediate school districts of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to supplement the school aid fund by the levy and collection of certain taxes; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to prescribe penalties; and to repeal acts and parts of acts," by amending sections 6, 11, 11f, 11g, 20, 22a, 22b, 24, 26a, 31a, 31d, 32a, 32b, 32c, 32d, 32f, 39a, 41, 51a, 51c, 51d, 53a, 54, 55, 56, 57, 61a, 62, 67, 68, 74, 81, 94, 94a, 96, 98, 99, 99a, 104a, 107, 108, and 147 (MCL 388.1606, 388.1611, 388.1611f, 388.1611g, 388.1620, 388.1622a, 388.1622b, 388.1624, 388.1626a, 388.1631a, 388.1631d, 388.1632a, 388.1632b, 388.1632c, 388.1632d, 388.1632f, 388.1631a, 388.1651c, 388.1651d, 388.1654, 388.1655, 388.1656, 388.1657, 388.1661a, 388.1662, 388.1667, 388.1668, 388.1661, 388.1681, 388.1694, 388.1694, 388.1696, 388.1698, 388.1699, 388.1699a,

388.1704a, 388.1707, 388.1708, and 388.1747), sections 6, 11, 11f, 11g, 20, 22a, 22b, 24, 26a, 31a, 31d, 32a, 32b, 32c, 32d, 32f, 41, 51a, 51c, 53a, 54, 56, 57, 61a, 62, 67, 68, 74, 81, 94, 94a, 96, 98, 99, 107, 108, and 147 as amended and sections 39a, 51d, 55, and 99a as added by 2002 PA 191 and section 104a as amended by 1999 PA 119; and to repeal acts and parts of acts.

(Filed with the Secretary of State July 25, 2002, at 4:44 p.m.)

Date: July 25, 2002 Time: 12:05 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 5647 (Public Act No. 523, I.E.), being

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

(Filed with the Secretary of State July 25, 2002, at 4:48 p.m.)

Date: July 25, 2002 Time: 1:20 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 5458 (Public Act No. 532, I.E.), being

An act to amend 1976 PA 448, entitled "An act to prescribe the powers and duties of municipalities and governmental units to acquire, finance, maintain, and operate generating, transmission, and distribution facilities of electric power and energy, fuel and energy sources and reserves and all necessary related properties, equipment and facilities; to permit the exercise of those powers in joint venture or joint agency agreements; to provide for the issuance of bonds and notes; to prescribe the powers and duties of the municipal finance commission or its successor agency and of certain other state officers and agencies with respect to municipal electric utility financing; to create certain funds and prescribe their operation; to provide for tax exemptions and other exemptions; and to prescribe penalties and provide remedies," by amending section 44 (MCL 460.844).

(Filed with the Secretary of State July 25, 2002, at 5:10 p.m.)

Date: July 25, 2002 Time: 1:25 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 5459 (Public Act No. 533, I.E.), being

An act to amend 1976 PA 448, entitled "An act to prescribe the powers and duties of municipalities and governmental units to acquire, finance, maintain, and operate generating, transmission, and distribution facilities of electric power and energy, fuel and energy sources and reserves and all necessary related properties, equipment and facilities; to permit the exercise of those powers in joint venture or joint agency agreements; to provide for the issuance of bonds and notes; to prescribe the powers and duties of the municipal finance commission or its successor agency and of certain other state officers and agencies with respect to municipal electric utility financing; to create certain funds and prescribe their operation; to provide for tax exemptions and other exemptions; and to prescribe penalties and provide remedies," by amending section 40 (MCL 460.840).

(Filed with the Secretary of State July 25, 2002, at 5:12 p.m.)

Date: July 25, 2002 Time: 10:50 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

#### Enrolled House Bill No. 5336 (Public Act No. 540, I.E.), being

An act to amend 1989 PA 24, entitled "An act to provide for the establishment and maintenance of district libraries; to provide for district library boards; to define the powers and duties of certain state and local governmental entities; to prescribe penalties and provide remedies; and to repeal acts and parts of acts," by amending sections 6, 12, 14, and 25 (MCL 397.176, 397.182, 397.184, and 397.195) and by adding section 25a.

(Filed with the Secretary of State July 26, 2002, at 2:27 p.m.)

Date: July 25, 2002 Time: 11:14 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 6074 (Public Act No. 549, I.E.), being

An act to amend 1893 PA 206, entitled "An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes on property, and for the collection of taxes levied; making those taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale or forfeiture and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection with property delinquent for taxes; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal acts and parts of acts," (MCL 211.1 to 211.157) by adding section 9i.

(Filed with the Secretary of State July 26, 2002, at 2:45 p.m.)

Date: July 25, 2002 Time: 11:22 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

## Enrolled House Bill No. 5365 (Public Act No. 552, I.E.), being

An act to amend 1949 PA 300, entitled "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," by amending sections 217, 234, and 717 (MCL 257.217, 257.234, and 257.717), section 217 as amended by 2000 PA 397, section 234 as amended by 2000 PA 151, and section 717 as amended by 2002 PA 453.

(Filed with the Secretary of State July 26, 2002, at 2:51 p.m.)

## **Communications from State Officers**

The following communications from the Secretary of State were received and read:

Notices of Filing Administrative Rules

June 10, 2002

In accordance with the provisions of Section 46(1) of Act 306, Public Acts of 1969, as amended, and Executive Order 1995-6 this is to advise you that the Office of Regulatory Reform, Legal Division filed at 11:30 A.M. this date, administrative rule (02-06-01) for the Department of Natural Resources, Wildlife Division, entitled "Endangered and Threatened Species", effective 7 days hereafter.

June 26, 2002

In accordance with the provisions of Section 46(1) of Act 306, Public Acts of 1969, as amended, and Executive Order 1995-6 this is to advise you that the Office of Regulatory Reform, Legal Division filed at 1:52 P.M. this date, administrative rule (02-06-02) for the Department of Agriculture, Fairs, Exhibitions and Racing Division, entitled "Regulation No. 812, State Aid for Harness Horse Racing", effective 15 days hereafter.

June 26, 2002

In accordance with the provisions of Section 46(1) of Act 306, Public Acts of 1969, as amended, and Executive Order 1995-6 this is to advise you that the Office of Regulatory Reform, Legal Division filed at 1:56 P.M. this date, administrative rule (02-06-03) for the Department of Agriculture, Pesticide and Plant Pest Management Division, entitled "Regulation No. 636, Pesticide Applicators", effective 7 days hereafter.

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

The communications were referred to the Clerk.

The following communication from the Central Area Michigan Works! Consortium was received and read:

June 28, 2002

The Workforce Investment Act (WIA) and the Michigan Department of Career Development require that program plans and modifications be available for review and comment. The Central Area Michigan Works! Consortium has revised the Comprehensive 5-Year Youth Plan for the period April 1, 2000, through June 30, 2005, and the Comprehensive 5-Year Local Plan for the period July 1, 2000, through June 30, 2005. This plan is available for your review and comment.

Sincerely,

Ralph F. Loeschner, President

The communication was referred to the Clerk.

The following communication from the Department of Treasury was received and read:

July 1, 2002

Public Act 77 of 1960, as amended, requires that the Michigan Higher Education Assistance Authority (MHEAA) submit an annual report to the Governor and the Legislature. Enclosed, for your review, is the Annual Report for 2000-01 of both the MHEAA and the Michigan Higher Education Student Loan Authority (MHESLA).

If you have any questions concerning this report, please feel free to contact Mr. H. Jack Nelson, Executive Director of the Authorities.

Sincerely, Douglas B. Roberts State Treasurer

The communication was referred to the Clerk.

The following communications from the Department of Consumer and Industry Services were received and read:

June 28, 2002

Pursuant to Section 314 of P.A. 119 of 2001, we are enclosing a copy of the following reports:

Type of Report Facility Report # License #
Special Investigation Maxey Boy's Training Sch. Green Oak Center

Special Investigation Maxey Boy's Training Sch. 2002C0208037 CS470201159

CS470201159

Green Oak Center

These reports were performed in compliance with the requirements of P.A. 116 of 1973 as amended, and the Administrative Rules for Child Caring Institutions. The reports may also be viewed on our web site at the following address: http://www.cis.state.mi.us/fast/leg\_rep.htm.

If you have any questions regarding this information, please feel free to contact me at 373-3892.

July 2, 2002

Pursuant to Section 314 of P.A. 119 of 2001, we are enclosing a copy of the following report:

Type of ReportFacilityReport #License #Approval Study ReportMaxey Boy's Training Sch.CS470201159

Green Oak Center

This report was performed in compliance with the requirements of P.A. 116 of 1973 as amended, and the Administrative Rules for Child Caring Institutions. The report may also be viewed on our web site at the following address: http://www.cis.state.mi.us/fast/leg\_rep.htm.

If you have any questions regarding this information, please feel free to contact me at 373-3892.

July 10, 2002

Pursuant to Section 314 of P.A. 119 of 2001, we are enclosing a copy of the following report:

Type of Report Facility
Approval Study Report Shawono Center

Report # License # CS200201404

This report was performed in compliance with the requirements of P.A. 116 of 1973 as amended, and the Administrative Rules for Child Caring Institutions. The report may also be viewed on our web site at the following address: http://www.cis.state.mi.us/fast/leg\_rep.htm.

If you have any questions regarding this information, please feel free to contact me at 373-3892.

Sincerely,

John R. Suckow, C.P.A.

Director, Finance and Administrative Services

The communications were referred to the Clerk.

The following communication from the Department of State Police was received and read:

July, 2002

Transmitted is the 2001 Michigan Annual Drunk Driving Audit, assembled and distributed by Michigan Department of State Police Criminal Justice Information Center.

Questions regarding Section I (Traffic Crash and Arrest Data) should be directed to Criminal Justice Information Center at 517/322-1150. As you review this report, feel free to contact our office with your suggestions and ideas or to highlight programs in your community that address the drunk-driving problem.

Questions regarding Section II [Arrest Disposition (Conviction) Data] should be directed to the Michigan Department

of State at 517/373-1714.

Sincerely, Col. Stephen D. Madden, Director Michigan Dept. of State Police

The communication was referred to the Clerk.

The following communications from the Auditor General were received and read:

July 11, 2002

Enclosed is a copy of the following audit report and/or executive digest: Financial Audit of the Commercial Mobile Radio Service
Emergency Telephone Fund
Department of Treasury
October 1, 1999 through September 30, 2000

July 16, 2002

Enclosed is a copy of the following audit report and/or executive digest:

Performance Audit of

Prisoner Benefit Funds, Prisoner Store Programs,

and Prisoner Accounts

Department of Corrections

July 2002

July 24, 2002

Enclosed is a copy of the following audit report and/or executive digest: Performance Audit of the Maintenance Division
Bureau of Highway Technical Services
Michigan Department of Transportation
July 2002

July 24, 2002

Enclosed is a copy of the following audit report and/or executive digest: Performance Audit of the Design Division
Bureau of Highway Technical Services
Michigan Department of Transportation
July 2002

July 25, 2002

Enclosed is a copy of the following audit report and/or executive digest: Performance Audit of
Information Technology Services and
the Automated Information Systems
Bureau of State Lottery
Department of Treasury
July 2002

July 26, 2002

Enclosed is a copy of the following audit report and/or executive digest: Performance Audit of Michigan Rehabilitation Services Michigan Department of Career Development July 2002

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

The communications were referred to the Clerk and the accompanying reports referred to the Committee on House Oversight and Operations.

#### Introduction of Bills

Rep. Callahan introduced

## House Bill No. 6245, entitled

A bill to amend 1939 PA 176, entitled "An act to create a commission relative to labor disputes, and to prescribe its powers and duties; to provide for the mediation and arbitration of labor disputes, and the holding of elections thereon; to regulate the conduct of parties to labor disputes and to require the parties to follow certain procedures; to regulate and limit the right to strike and picket; to protect the rights and privileges of employees, including the right to organize and engage in lawful concerted activities; to protect the rights and privileges of employers; to make certain acts unlawful; and to prescribe means of enforcement and penalties for violations of this act," by amending section 22 (MCL 423.22).

The bill was read a first time by its title and referred to the Committee on Employment Relations, Training and Safety.

Reps. Richner, Cassis, Woodward, Toy, Scranton, Stewart, Vander Veen and Lemmons introduced

#### House Bill No. 6246, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 3115 (MCL 324.3115).

The bill was read a first time by its title and referred to the Committee on Land Use and Environment.

Rep. Callahan introduced

## House Bill No. 6247, entitled

A bill to amend 1941 PA 207, entitled "Fire prevention code," (MCL 29.1 to 29.34) by adding section 3f. The bill was read a first time by its title and referred to the Committee on Commerce.

Reps. Bogardus, Anderson, Hale, Jamnick and Minore introduced

## House Bill No. 6248, entitled

A bill to amend 1978 PA 368, entitled "Public health code," (MCL 333.1101 to 333.25211) by adding section 2855a. The bill was read a first time by its title and referred to the Committee on Criminal Justice.

## Rep. Rich Brown introduced

## House Bill No. 6249, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 43553 (MCL 324.43553), as amended by 1996 PA 585, and by adding part 413.

The bill was read a first time by its title and referred to the Committee on Agriculture and Resource Management.

#### Rep. Scranton introduced

## House Bill No. 6250, entitled

A bill to amend 1945 PA 327, entitled "Aeronautics code of the state of Michigan," by amending section 85 (MCL 259.85), as amended by 2002 PA 258.

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

#### Rep. Palmer introduced

## House Bill No. 6251, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," (MCL 380.1 to 380.1852) by adding section 1180. The bill was read a first time by its title and referred to the Committee on Education.

#### Rep. Palmer introduced

## House Bill No. 6252, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," (MCL 380.1 to 380.1852) by adding section 1138. The bill was read a first time by its title and referred to the Committee on Education.

## Rep. Callahan introduced

#### House Bill No. 6253, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 80123 (MCL 324.80123), as added by 1995 PA 58.

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

#### Rep. Scranton introduced

## House Bill No. 6254, entitled

A bill to require that crisis pregnancy organizations obtain informed consent from women served by those organizations; and to provide for penalties.

The bill was read a first time by its title and referred to the Committee on Family and Children Services.

#### Rep. Richner introduced

## House Bill No. 6255, entitled

A bill to amend 1956 PA 40, entitled "The drain code of 1956," by amending sections 514 and 530 (MCL 280.514 and 280.530).

The bill was read a first time by its title and referred to the Committee on Agriculture and Resource Management.

## Rep. Julian introduced

#### House Bill No. 6256, entitled

A bill to amend 1965 PA 232, entitled "Agricultural commodities marketing act," by amending the title and sections 2, 3, 4, 5, 7, 8, 9, 10, 11, 17, 19, 21, 22, 23, and 24 (MCL 290.652, 290.653, 290.654, 290.655, 290.655, 290.657, 290.658, 290.659, 290.660, 290.661, 290.667, 290.669, 290.671, 290.672, 290.673, and 290.674), sections 2, 3, 5, 7, 9, 10, 21, and 22 as amended by 1996 PA 216, section 8 as amended by 1997 PA 20, and sections 19, 23, and 24 as amended by 1980 PA 196; and to repeal acts and parts of acts.

The bill was read a first time by its title and referred to the Committee on Agriculture and Resource Management.

Rep. DeWeese introduced

## House Bill No. 6257, entitled

A bill to amend 1998 PA 58, entitled "Michigan liquor control code of 1998," by amending section 221 (MCL 436.1221). The bill was read a first time by its title and referred to the Committee on Appropriations.

Rep. DeWeese introduced

#### House Bill No. 6258, entitled

A bill to amend 1977 PA 289, entitled "An act to provide for payments to municipalities for fire protection services received by state facilities; to prescribe the powers and duties of certain state and local agencies and officials; and to authorize the proration of certain appropriations," by amending the title and sections 1, 3, and 6 (MCL 141.951, 141.953, and 141.956) and by adding section 1a.

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

Rep. Zelenko introduced

## House Bill No. 6259, entitled

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending sections 1301a, 1303a, 1304, 1305, 1307a, 1308, 1309, 1310, 1312, 1313, 1315, 1316, 1317, 1319, 1320, 1321, 1322, 1323, 1324, 1326, 1327, 1328, 1329, 1331, 1332, 1333, 1334, 1335, 1336, 1337, 1338, 1339, 1340, 1341, 1342, 1343, 1345, 1346, 1347, 1372, 1374, and 1375 (MCL 600.1301a, 600.1303a, 600.1304, 600.1305, 600.1307a, 600.1308, 600.1309, 600.1310, 600.1312, 600.1313, 600.1315, 600.1316, 600.1317, 600.1319, 600.1320, 600.1321, 600.1322, 600.1323, 600.1324, 600.1326, 600.1327, 600.1328, 600.1329, 600.1331, 600.1332, 600.1334, 600.1334, 600.1335, 600.1336, 600.1337, 600.1338, 600.1340, 600.1341, 600.1341, 600.1342, 600.1345, 600.1346, 600.1347, 600.1372, 600.1374, and 600.1375), sections 1301a, 1304, 1307a, 1310, 1312, and 1375 as amended by 1986 PA 104.

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

Rep. Howell introduced

#### House Bill No. 6260, entitled

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending sections 601 and 841 (MCL 600.601 and 600.841), section 601 as amended by 1996 PA 388 and section 841 as amended by 2000 PA 56, and by adding chapter 4 and section 8304.

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

Rep. Hummel introduced

#### House Bill No. 6261, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 40111 (MCL 324.40111), as added by 1995 PA 57.

The bill was read a first time by its title and referred to the Committee on Conservation and Outdoor Recreation.

Rep. Hummel introduced

## House Bill No. 6262, entitled

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending section 8251 (MCL 600.8251), as amended by 1994 PA 5.

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

Rep. Richner introduced

## House Bill No. 6263, entitled

A bill to implement the provisions of section 36 of article IX of the state constitution of 1963 relating to the dedication of tobacco settlement revenue for improvement of health care; to create certain funds; to provide for the operation, investment, and expenditure of certain funds; and to impose certain duties and requirements on certain state officials.

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

Rep. Richner introduced

## House Bill No. 6264, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," (MCL 257.1 to 257.923) by adding section 801j. The bill was read a first time by its title and referred to the Committee on Insurance and Financial Services.

Rep. Richner introduced

## House Bill No. 6265, entitled

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," by amending section 6107 (MCL 500.6107), as added by 1992 PA 174.

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

By unanimous consent the House returned to the order of

## Messages from the Governor

The following message from the Governor was received and read:

Executive Office, Lansing, July 6, 2002

Michigan House of Representatives State Capitol Building Lansing, Michigan 48909

#### Ladies and Gentlemen:

I was pleased to sign into law a Quality Assurance Assessment for nursing homes and health maintenance organizations (HMOs). I was willing to support the assessment because the nursing home community and HMOs collectively agreed to it, and it established a mechanism for providing a funding increase of 5 percent for nursing homes and 7 percent increase for HMOs in a time when state funding is scarce.

A similar proposal for Michigan's hospitals could generate an additional \$143 million for Medicaid patients. The additional funds, when compared to current levels, would have provided hospitals an increase of 15 percent in 2003 and 22 percent in 2004. These additional funds were targeted to those hospitals that needed it most – based upon the number of Medicaid patients they serve.

There is another approach being advocated by the Lansing-based Michigan Health & Hospital Association. This approach attempts to use the Constitution as a method to fund special interest groups, by using taxpayer dollars to establish a \$50 million corporation that will operate outside of public scrutiny and oversight. The proposal also claims to lock up the Tobacco Settlement revenues for health care spending. It appears the special interests and Michigan Health and Hospital Association have no qualms about jeopardizing future funding for other state priorities such as public safety, health, higher education, community colleges, corrections and children.

For decades, the state covered the exorbitant costs of tobacco related illnesses for our low-income residents in the Medicaid program, all at the expense of many other important programs such as education and senior health care. The state sued the tobacco companies to recoup these dollars and the Michigan Legislature chose to invest these funds into programs that benefit the entire state in one way or another.

The ballot proposal and the Quality Assurance Assessment Program are inseparable. The state can afford one, but not both. The choice is straightforward. One program offers \$143M in additional Medicaid dollars into the system. The other, the promise of a bitter electoral battle for the hope of more funding in the future. I have been very clear throughout the entire legislative process that I would not support a hospital assessment if the ballot proposal moved forward.

Therefore, I cannot in good conscience sign this proposal. It would be fiscally irresponsible for me to sign **Enrolled House Bill 5103** into law while special interests continue to advocate a constitutional amendment that would jeopardize the finances of the State of Michigan.

Sincerely, John Engler Governor

The question being on the passage of the bill, the objections of the Governor to the contrary notwithstanding, Rep. Patterson moved that the bill be re-referred to the Committee on Health Policy. The motion prevailed.

The following message from the Governor was received and read:

Executive Office, Lansing, July 23, 2002

Michigan House of Representatives State Capitol Building Lansing, Michigan 48909

#### Ladies and Gentlemen:

Today I have vetoed and am returning to you herewith Enrolled House Bill 4990.

Enrolled House Bill 4990 would increase the maximum number of members permitted to serve on the Special Education Advisory Committee (SEAC). I fully support special education services for our children. However, I have traditionally opposed, and oppose in this instance, increasing membership of state advisory boards or committees when not absolutely necessary.

Currently the SEAC is located in the Department of Education, and its members are appointed by the State Board of Education. The membership is capped in state law at 27. Enrolled House Bill 4990 proposes an increase in the SEAC to comply with a 1997 federal amendment to the Individuals with Disabilities Education Act (IDEA) that required representation of two new very important areas, transition services and charter and private schools. The federal amendment also required that 51 percent of the SEAC's members be persons with a disability or the parents of persons with a disability.

I support the 1997 federal amendment; however, I do not believe the SEAC needs more members to comply with its provisions. The SEAC is currently operating with 51 percent of its members meeting the disability requirement and recently added the two new federally required groups. The State Board of Education has already increased, in direct violation of state statute, the membership on the committee to 29. Rather than increasing the number of SEAC members, the State Board of Education should work together and utilize their eight at-large member appointments to meet federal and state requirements.

With the right leadership, the State Board of Education could easily rearrange the current membership on the SEAC to meet federal and state requirements. I believe they can maintain the 27 members currently allowed by state law and in that number include the two new federally-required representatives and remove voting members that overlap responsibilities or groups that are not statutorily required.

As mentioned before, I wholeheartedly support special education services in Michigan and believe this advisory committee is important. I also believe that more members on the SEAC are not necessary to achieve its goals. For this reason, I am returning Enrolled House Bill 4990 without signature.

Sincerely, John Engler Governor

The question being on the passage of the bill, the objections of the Governor to the contrary notwithstanding, Rep. Patterson moved that the bill be re-referred to the Committee on Education.

The motion prevailed.

The following line items veto message from the Governor was received and read:

Executive Office, Lansing, July 25, 2002

Michigan House of Representatives State Capitol Building Lansing, Michigan 48933

## Ladies and Gentlemen:

Today I have signed **Enrolled House Bill 5648**, which provides \$245 million to support the operations of the Judicial branch of government during fiscal year 2003. However, I am returning it to you because of one item of which I disapprove, pursuant to Article V, Section 19, of the Michigan Constitution. The specific veto is contained in the attached copy of the bill, which has been filed with the Secretary of State. My action today:

- Provides \$71.0 million for Trial Court operations, including reimbursement to all 83 counties.
- Provides \$2.5 million for the Community Dispute Resolution Program, which assists local courts with resolving disputes as an alternative to more costly court action.
- Provides \$563,700 for the addition of five new judgeships resulting from Public Acts 251 through 258 of 2001, and \$190,200 for salary adjustments associated with the conversion of three part-time probate judges to full-time status pursuant to Public Act 92 of 2002.

• Reduces general fund spending by more than \$1 million due to a corresponding increase in Court Fee Fund

My action today also vetoes one item with which I do not concur. I have vetoed boilerplate section 319, which creates an attorney Debt Management Loan Program. I do not support the use of State Services Fee Fund revenues for this purpose, as it conflicts with the intended use of the funds as contained in the Casino Gaming statute (Public Act 70 of 1997).

I commend the Legislature for its work on this budget. I also wish to express my appreciation to Chief Justice Corrigan for her continued strong leadership and support in working with both the Executive and Legislative branches of government to finalize the fiscal year 2003 budget.

Sincerely, John Engler Governor

The bill was signed by the Governor July 25, 2002, at 11:30 a.m.

The bill was filed with the Secretary of State, July 25, 2002, at 1:14 p.m., and assigned Public Act No. 515, I.E.

The question being on the passage of the disapproved items, the objections of the Governor to the contrary notwithstanding,

Rep. Patterson moved that the bill be re-referred to the Committee on Appropriations.

The motion prevailed.

The following line items veto message from the Governor was received and read:

Executive Office, Lansing, July 25, 2002

Michigan House of Representatives State Capitol Building Lansing, Michigan 48933

## Ladies and Gentlemen:

Today I have signed **Enrolled House Bill 5642** the Fiscal Year 2003 appropriations bill for the Department of Agriculture. However, I am returning it to you because of items of which I disapprove, pursuant to Article V, Section 19, of the Michigan Constitution. The specific vetoes are contained in the attached copy of the bill, which has been filed with the Secretary of State.

My action today provides over \$95 million in funding to support the agricultural, environmental and food safety responsibilities of the Department of Agriculture. In addition, this bill:

- Includes \$630,000 in federal funding for microbiological data monitoring in cooperation with the United States Department of Agriculture.
- Provides \$300,000 in additional federal environmental protection resources in support of laboratory testing the
  efficacy of disinfectant products used in veterinary clinics, hospitals, nursing homes and other private or public
  entities.
- Includes increased federal funding of \$44,600 for animal feed monitoring as part of the Pesticide and Plant Pest Management program.
- Provides \$142,200 in increased support for the Grape and Wine program using available non-retail liquor license fee revenue.
- Provides \$78,100 in increased federal support for pesticide data program monitoring of fruit and vegetables for pesticide residue.

My action today vetoes sixteen items with which I do not concur:

- I have vetoed \$50,000 for open space development rights easements, and related language in section 605. I do not support the use of Environmental Protection Fund resources for this purpose.
- I have vetoed \$60,000 for fairs and festivals promotion, and related language section 816 which directs that the funding be used to provide grants to the industry for statewide volunteer staff education and promotion of commodities. There is no demonstrated need for this funding and, instead, I am directing the Department of Agriculture to work cooperatively with the Michigan Travel Bureau to integrate festival promotional activities into the ongoing tourism agenda. I am also directing the department to work with the Department of History, Arts and Libraries where specific cultural promotional opportunities can be identified for collaboration.
- I have vetoed \$3,747,700 for the Office of Racing Commissioner and \$1,194,200 for thirteen horse racing line items. I cannot support additional State Services Fee fund revenue for the Office of Racing Commissioner, and

related enhancements to the horse racing program. My Executive recommendation for the horse racing industry grants reflected the anticipated available revenues; it would be inappropriate to augment funding in this area beyond that which can be supported by equine revenue. I support restoration of funding for the Office of Racing Commissioner and associated equine industry grants at the original recommended levels, which can be supported with the available revenue.

This bill, with necessary restorative action, will support the operations of the Department of Agriculture for fiscal year 2003. I commend the Legislature for its work on this budget.

Sincerely, John Engler Governor

The bill was signed by the Governor July 25, 2002, at 11:35 a.m.

The bill was filed with the Secretary of State, July 25, 2002, at 1:16 p.m., and assigned Public Act No. 516, I.E.

The question being on the passage of the disapproved items, the objections of the Governor to the contrary notwithstanding,

Rep. Patterson moved that the bill be re-referred to the Committee on Appropriations.

The motion prevailed.

The following line items veto message from the Governor was received and read:

Executive Office, Lansing, July 25, 2002

Michigan House of Representatives State Capitol Lansing, Michigan 48933

#### Ladies and Gentlemen:

Today I have signed **Enrolled House Bill 5643**, the fiscal year 2003 appropriation for the Department of Career Development and the Michigan Strategic Fund. However, I am returning it to you because of items of which I disapprove pursuant to Article V, Section 19, of the Michigan Constitution. The specific vetoes are included in the attached copy of the bill, which has been filed with the Secretary of State.

This bill provides over \$461 million for the Department of Career Development and more than \$153 million for the Michigan Strategic Fund. My action today:

- Maintains tobacco settlement funding (\$45.0 million) for the Life Sciences Corridor. This funding will facilitate
  important health-related research and will foster commercialization and collaboration opportunities in life science
  research
- Adds federal funding to the Department of Career Development for Gear-up Grants (\$3.0 million), Employment Training Services (\$2.1 million), Vocational Rehabilitation Services (\$1.15 million), Carl D. Perkins Grants (\$1.0 million), Career and Technical Education (\$500,000), and the Michigan Career and Technical Institute (\$349,700).
- Increases support for Vocational Rehabilitation Independent Living Centers by \$25,000.

However, due to the current budget constraints, I have vetoed \$25,000 earmarked to promote tourism activities in the northeast region of the State (Section 405). The Michigan Promotion Program is a statewide program and funding should not be limited to a specific region of the state.

I have also vetoed Section 418 (11) which appropriates up to \$1,000,000 for the Capital Access Program. Supplemental funding was provided for this purpose in fiscal year 2002, with the understanding that it was for one year only.

I thank the Legislature for its work on this important budget bill.

Sincerely, John Engler Governor

The bill was signed by the Governor July 25, 2002, at 11:40 a.m.

The bill was filed with the Secretary of State, July 25, 2002, at 1:18 p.m., and assigned Public Act No. 517, I.E.

The question being on the passage of the disapproved items, the objections of the Governor to the contrary notwithstanding,

Rep. Patterson moved that the bill be re-referred to the Committee on Appropriations.

The motion prevailed.

The following line items veto message from the Governor was received and read:

Executive Office, Lansing, July 25, 2002

Michigan House of Representatives State Capitol Building Lansing, Michigan 48933

## Ladies and Gentlemen:

Today I have signed **Enrolled House Bill 5650**, the Fiscal Year 2003 appropriations bill for the Department of State Police. However, I am returning it to you because of items of which I disapprove, pursuant to Article V, Section 19, of the Michigan Constitution. The specific vetoes are contained in the attached copy of the bill, which has been filed with the Secretary of State.

My action today provides over \$415 million to support the critical law enforcement activities of the Michigan State Police. Among other items, this bill:

- Provides \$12.5 million in support of the secondary road patrol program funded entirely with secondary road patrol and training assessment fees, resulting in a general fund savings of \$6.3 million since fiscal year 2001.
- Includes \$2.8 million in additional restricted funds to support the criminal justice information center division. The additional funds are a result of Public Act 463 of 2002, which increased fingerprint fees and Public Act 472 of 2002, which increased application fees to set aside convictions.
- Includes \$2.8 million in additional federal support for anti-terrorism equipment with 80 percent of that amount going to local law enforcement agencies.
- Includes \$1.6 million in additional restricted funds to support the forensic science division. The additional funds are a result of Public Act 87 of 2001, which requires all convicted felons to provide a DNA sample with an assessment fee of \$60.
- Transfers \$400,000, 6 FTE positions, and oversight of the private security guard/private detective programs to the Department of Consumer and Industry Services. Oversight of private security police will remain with the department.

My action today also vetoes three items with which I do not concur. I have vetoed boilerplate section 262, which earmarks funding for a feasibility study regarding a common facility for the Jackson state police post, the Jackson County sheriff's department, and the city of Jackson police department. Such a study may well be warranted but should be conducted with all three parties actively involved. I fear that assigning responsibility for this study to the Michigan State Police may result in a study that reflects state needs, but that is disregarded by local law enforcement. I firmly believe in cooperation, however, all three entities should come together as full partners.

I have also vetoed boilerplate section 701, which earmarks cigarette tax revenues for a grant to the city of Detroit. I do not support the use of tobacco tax resources for this purpose, since those resources are needed to satisfy the overall budget problem. In addition, I have also vetoed boilerplate section 1202, which earmarks funding for an aeronautics safety officer position within the Department of Transportation. I do not support the establishment of a specialized position at this time.

This bill supports the essential operations of the Department of State Police for fiscal year 2003. I commend the Legislature for its cooperation in completing this budget in a timely manner.

Sincerely, John Engler Governor

The bill was signed by the Governor July 25, 2002, at 12:20 p.m.

The bill was filed with the Secretary of State, July 25, 2002, at 4:55 p.m., and assigned Public Act No. 526, I.E.

The question being on the passage of the disapproved items, the objections of the Governor to the contrary notwithstanding,

Rep. Patterson moved that the bill be re-referred to the Committee on Appropriations.

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

Rep. Jacobs demanded the yeas and nays.

The demand was supported.

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

The motion prevailed, a majority of the members present voting therefor, by yeas and nays, as follows:

Roll Call No. 1038 Yeas—55

Allen Godchaux Kuipers Scranton Birkholz Gosselin LaSata Shackleton Bisbee Mead Shulman Hager Bishop Hart Mever Stamas Bradstreet Howell Middaugh Stewart Brown, C. Hummel Mortimer Tabor Cassis Newell Jansen Toy Palmer Van Woerkom Caul Jelinek

Johnson, Rick **DeRossett** Patterson Vander Roest DeVuyst Johnson, Ruth Pumford Vander Veen Drolet Julian Raczkowski Vear Ehardt Koetje Richardville Voorhees Kooiman Richner Woronchak Faunce

Gilbert Kowall Rocca

## Nays-48

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

In The Chair: Julian

The following line items veto message from the Governor was received and read:

Executive Office, Lansing, July 25, 2002

Michigan House of Representatives State Capitol Building Lansing, Michigan 48933

#### Ladies and Gentlemen:

Today I have signed **Enrolled House Bill 5644** containing fiscal year 2003 appropriations for the Department of Consumer and Industry Services. However, I am returning it to you because of two items of which I disapprove, pursuant to Article V, Section 19, of the Michigan Constitution. The specific items vetoed are contained within the attached copy of the bill which has been filed with the Secretary of State.

The budget you have sent to me will provide the funding necessary for this department to continue to support the health, safety, and economic well being of the public through effective oversight and customer services. I am pleased that the budget bill will appropriately relocate licensure functions for security guards, alarm system contractors and private detectives from the Department of State Police to Consumer and Industry Services.

Further, I commend the Legislature for its support for additional nursing scholarships and an initiative to examine ways to alleviate the current nursing shortage. Finally, the increase in the number of Section 8 housing rental vouchers provided by this budget is a positive addition to our efforts to promote quality, affordable housing.

Unfortunately, the proposed constitutional amendments which will be decided this November would seriously constrain our ability to finance the appropriations in this budget and the balance of state government. Given this uncertainty, I am compelled to reduce appropriations through vetoes in order to maximize the state's flexibility to address the general fund financing shortfalls that will occur if the ballot initiatives are adopted. Accordingly, I have vetoed the appropriation for Fire Protection Grants in Part 1 of this bill and in Section 262.

I have also vetoed the provision in the bill which would have required funding for six worker's compensation mediators positions from the appropriations for the Bureau of Worker's and Unemployment Compensation. This item represented an inappropriate and burdensome restriction on the Department's ability to allocate personnel based on caseload requirements.

I have also vetoed the provision in the bill which would earmark funds for Community Action Agencies (CAAs) from the appropriation for low-income energy efficiency assistance. It is my position that these funds should be distributed on a competitive basis with matching requirements.

I appreciate the Legislature's cooperation in the development of this budget.

Sincerely, John Engler Governor

The bill was signed by the Governor July 25, 2002, at 12:25 p.m.

The bill was filed with the Secretary of State, July 25, 2002, at 4:58 p.m., and assigned Public Act No. 527, I.E.

The question being on the passage of the disapproved items, the objections of the Governor to the contrary notwithstanding,

Rep. Patterson moved that the bill be re-referred to the Committee on Appropriations.

The motion prevailed.

The following line items veto message from the Governor was received and read:

Executive Office, Lansing, July 25, 2002

Michigan House of Representatives State Capitol Building Lansing, Michigan 48933

## Ladies and Gentlemen:

Today I have signed **Enrolled House Bill 5645**, the fiscal year 2003 appropriation for the Family Independence Agency (FIA). However, I am returning it to you because of items of which I disapprove, pursuant to Article V, Section 19, of the Michigan Constitution. The specific items vetoed are contained within the attached copy of the bill, which has been filed with the Secretary of State.

Members of the Legislature deserve to be commended for their support of Michigan's ongoing welfare reform policies. The Family Independence Program (FIP) monthly average caseload was only 70,821 in June, more than a 69 percent reduction from the peak of 229,300 cases experienced in fiscal year 1993. The savings from these caseload declines have been redirected to support the Day Care needs of Michigan's working families and other high priority FIA programs. In fiscal year 2003, funding for the Day Care program exceeds funding for the FIP program by more than \$90 million.

I am pleased with the support that you provided for core FIA programs. Thanks to your support of the \$26.6 million Adoption Subsidy increase, 24,500 children will be provided permanent adoptive homes. Because of a \$28.6 million Child Care Fund increase which you supported, counties will be fully funded in their efforts to serve troubled and neglected children.

I am also pleased that you responsibly met targeted funding levels while protecting key FIA programs and initiatives. The necessary reductions which you adopted should have little impact on the department's focus of meeting the needs of families and moving them toward self-sufficiency.

However, this bill deviates unacceptably from my budget recommendations in several key areas. My action today vetoes:

- Section 407, which earmarks funds to a specific provider and provides a funding increase during the current difficult economic circumstances. This section provides funding for services which more appropriately belong in the Department of Career Development budget. I therefore recommend that this agency compete for the funding available from that department, rather than seeking special allocations in the FIA budget.
- Portions of Section 413, which funds numerous new and expanded initiatives with the Child Support Enforcement System penalty refund that we hope to receive during fiscal year 2003. These initiatives expand and create new programs and could require FIA to enter into numerous small contracts that will be difficult and expensive to administer. Now is not the time for increased funding commitments for new programs. It is therefore more appropriate to preserve these funds to protect core programs.
- Section 519, which provides a six-month 1 percent rate increase for private foster care agencies and institutions. I do not support this small and targeted rate increase given that no other rate increases have been funded in this budget.

- Section 668, which requires FIA to develop a community-based child care pilot program. Again, given the current economic circumstances, and the fiscal uncertainty caused by the constitutional amendment ballot initiatives, now is not the time to initiate new programs.
- Section 710, which requires the department to continue certain contracts for day treatment programs. These contracts provide 100 percent state funding in a few counties, while all other counties must provide 50 percent local match for similar services. This inequitable funding arrangement should not continue.

I commend the Legislature for its timely action on this bill.

Sincerely, John Engler Governor

The bill was signed by the Governor July 25, 2002, at 1:10 p.m.

The bill was filed with the Secretary of State, July 25, 2002, at 5:03 p.m., and assigned Public Act No. 529, I.E.

The question being on the passage of the disapproved items, the objections of the Governor to the contrary notwithstanding,

Rep. Patterson moved that the bill be re-referred to the Committee on Appropriations.

The motion prevailed.

The following line items veto message from the Governor was received and read:

Executive Office, Lansing, July 25, 2002

Michigan House of Representatives State Capitol Building Lansing, Michigan 48913

## Ladies and Gentlemen:

Today I have signed **Enrolled House Bill 4373**. However, I am returning it to you because of several items of which I disapprove, pursuant to Article V, Section 19 of the Michigan Constitution. The specific vetoes are contained in the attached copy of the bill, which has been filed with the Secretary of State.

This supplemental budget bill provides \$1,021.7 gross (negative \$68.0 million general fund) in fiscal year 2002 supplemental funding to complete action on the agreement to balance the fiscal year 2002 budget. It provides funding for caseload increases and other essential needs and includes necessary reductions in general fund spending.

My action today includes vetoes of:

- \$80,000 for the Glen Oaks Community College Outreach Center. Given the state's current revenue situation, it would be inappropriate to fund a new project at this time.
- \$15,800 to the Department of State for City of Flint mayoral election expenses; funding for this special local election is not a state responsibility.
- \$3.5 million for declining enrollment grants and related boilerplate section 551 as this item duplicates appropriations in Enrolled House Bill 5881, which I intend to sign.
- \$120,000 for the Department of Transportation for the Old 27 North-Whitemarsh project and a \$120,000 reduction for the Department of Natural Resources for national recreational trails. It is my understanding that the intent of these appropriations was to enhance and transfer funding from the Department of Natural Resources to the Department of Transportation to complete construction of the separated grade crossing at the Old 27 North-Whitemarsh intersection of the Gaylord-Cheboygan Trail. I do not believe this adjustment is necessary as the Department of Natural Resources intends to honor its original commitment for funding and completion of this project.
- Section 204 because it does not appropriately reflect the agreement to carry forward \$35 million in tobacco tax revenue from fiscal year 2002 to fiscal year 2003.
- Section 411 which increases the St. Clair Community College construction authorization by \$4.0 million for renovation of the North Building which the State Building Authority has indicated is not bondable. This item was removed, with the college's consent, from the program statement and schematic plans submitted to the Joint Capital Outlay Subcommittee.

I thank the Legislature for their work on these supplemental appropriations.

Sincerely, John Engler Governor The bill was signed by the Governor July 25, 2002, at 1:15 p.m.

The bill was filed with the Secretary of State, July 25, 2002, at 5:06 p.m., and assigned Public Act No. 530, I.E.

The question being on the passage of the disapproved items, the objections of the Governor to the contrary notwithstanding,

Rep. Patterson moved that the bill be re-referred to the Committee on Appropriations.

The motion prevailed.

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. 5651**, entitled

A bill to make appropriations for the state transportation department and certain transportation purposes for the fiscal year ending September 30, 2003; to provide for the imposition of fees; to provide for reports; to create certain funds and programs; to prescribe requirements for certain railroad and bus facilities; to prescribe certain powers and duties of certain state departments and officials and local units of government; and to provide for the expenditure of the appropriations.

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 state transportation department and certain transportation purposes for the fiscal year ending September 30, 2003; to provide for the imposition of fees; to provide for reports; to create certain funds and programs; to prescribe requirements for certain railroad and bus facilities; to prescribe certain powers and duties of certain state departments and officials and local units of government; and to provide for the expenditure of the appropriations.

## 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 state transportation department and certain state purposes designated in this act 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:

## STATE TRANSPORTATION DEPARTMENT

## APPROPRIATION SUMMARY:

Full-time equated unclassified positions	
Full-time equated classified positions	
GROSS APPROPRIATION	\$ 3,125,181,500
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 3,125,181,500
Federal revenues:	
DOT-federal transit act	47,550,000
DOT-FHWA, highway research, planning, and construction	936,526,100
DOT-FRA, local rail service assistance	100,000
DOT-FRA, rail passenger/HSGT	3,000,000
Total federal revenues	987,176,100
Special revenue funds:	
Total local revenues	5,800,000
Total private revenues	0
Total local and private revenues	5,800,000
Michigan transportation fund	1,093,043,700
Economic development fund	57,315,000
State trunkline fund	713,370,400
State aeronautics fund	12,107,800
Comprehensive transportation fund	239,751,000
Blue Water Bridge fund	13,617,500
Intercity bus equipment fund	1,000,000

		E E' 137
		For Fiscal Year Ending Sept. 30,
		2003
Rail preservation fund		2,000,000
Total other state restricted revenues	φ	2,132,205,400
State general fund/general purpose	\$	0
State trunkline	\$	91,903,200
Economic development	Ψ	13,928,900
Critical bridge		3,000,000
Blue Water Bridge		2,308,100
Airport safety and protection plan		5,000,000
Comprehensive transportation		21,491,900
GROSS APPROPRIATION	\$	137,632,100
Appropriated from:		
Federal revenues:		
DOT-FHWA highway research, planning, and construction		21,000,000
Special revenue funds:		
Comprehensive transportation fund		21,491,900
Michigan transportation fund		3,000,000
State trunkline fund		70,903,200
Blue Water Bridge fund		2,308,100
Economic development fund		13,928,900
State aeronautics fund	Φ	5,000,000
State general fund/general purpose	\$	0
MTF grant to department of environmental quality	\$	884,800
MTF grant to department of curvionmental quanty	Ψ	90,430,700
MTF grant to department of state for commemorative and specialty plates		4,069,300
MTF grant to legislative auditor general		138,000
MTF grant to department of treasury		10,225,000
STF grant to department of attorney general		2,566,200
STF grant to department of civil service		2,000,000
STF grant to department of management and budget		1,133,900
STF grant to department of state police		8,253,300
STF grant to department of treasury		29,100
STF grant to legislative auditor general		404,200
SAF grant to department of attorney general		125,400
SAF grant to department of civil service		50,000
SAF grant to department of management and budget		27,900
SAF grant to department of treasury		64,100
SAF grant to legislative auditor general		17,100
CTF grant to department of attorney general		131,500
CTF grant to department of civil service		90,000
CTF grant to department of management and budget		49,900
CTF grant to department of treasury		5,300
CTF grant to legislative auditor general	φ.	48,200
GROSS APPROPRIATION	\$	120,743,900
Appropriated from:		
Special revenue funds:		224.000
Comprehensive transportation fund		324,900
Michigan transportation fund		105,747,800
State aeronautics fund		284,500 14 386 700
	¢	14,386,700
State general fund/general purpose	\$	0
Full-time equated unclassified positions		
Full-time equated classified positions		
Unclassified salaries	\$	532,200
	Ψ	222,200

		For Fiscal Year Ending Sept. 30,
		2003
State transportation commission (per diem payments)		10,000
Commission audit—33.3 FTE positions	φ -	2,983,000
GROSS APPROPRIATION	\$	3,525,200
Appropriated from:		
Special revenue funds: State trunkline fund		2 525 200
State general fund/general purpose	•	3,525,200
Sec. 105. ADMINISTRATIVE SERVICES	\$	0
Full-time equated classified positions		
Administration—66.0 FTE positions	\$	5,934,700
Property management	Ψ	7,237,300
Human resources—31.0 FTE positions		2,478,300
Economic development administration—9.0 FTE positions		759,500
Worker's compensation		2,966,000
GROSS APPROPRIATION	\$	19,375,800
Appropriated from:	Ψ	17,575,000
Special revenue funds:		
Economic development fund		500,700
State aeronautics fund		657,400
Comprehensive transportation fund		1,599,000
Michigan transportation fund		77,100
State trunkline fund		16,541,600
State general fund/general purpose	\$	0
Sec. 106. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	26,396,400
GROSS APPROPRIATION	\$ -	26,396,400
Appropriated from:		
Federal revenues:		
DOT-FHWA highway research, planning, and construction		640,000
Special revenue funds:		
Blue Water Bridge fund		43,900
Comprehensive transportation fund		240,900
Economic development fund		37,100
Michigan transportation fund		35,200
State aeronautics fund		134,500
State trunkline fund		25,264,800
State general fund/general purpose	\$	0
Sec. 107. BUREAU OF FINANCE AND ADMINISTRATION		
Full-time equated classified positions		
Administration—237.0 FTE positions	\$ _	19,758,200
GROSS APPROPRIATION	\$	19,758,200
Appropriated from:		
Special revenue funds:		1 127 500
Michigan transportation fund		1,127,500
State trunkline fund	Φ.	18,630,700
State general fund/general purpose	\$	0
Sec. 108. BUREAU OF TRANSPORTATION PLANNING		
Full-time equated classified positions	Ф	22 25 4 000
Administration—175.0 FTE positions	\$	22,254,900
Grants to regional planning councils	ф —	488,800
GROSS APPROPRIATION	\$	22,743,700
Appropriated from:		
Federal revenues:		14500 000
DOT-FHWA highway research, planning, and construction		14,566,800
Special revenue funds: State aeronautics fund		200 000
State actoriauties fund		200,800

		For Fiscal Year Ending Sept. 30,
		2003
Comprehensive transportation fund		1,168,000
Michigan transportation fund		4,760,900
State trunkline fund		2,047,200
State general fund/general purpose	\$	0
Sec. 109. BUREAU OF HIGHWAYS		
Full-time equated classified positions	Φ	21 70 6 000
Engineering operations—799.4 FTE positions	\$	31,796,800
Maintenance operations—78.0 FTE positions		7,071,200
Program services—748.0 FTE positions	φ-	39,004,800
GROSS APPROPRIATION	\$	77,872,800
Appropriated from:		
Federal revenues:		£ 000 000
DOT-FHWA highway research, planning, and construction		5,000,000
Special revenue funds: Michigan transportation fund		4 155 000
		4,155,900
State trunkline fund.	Φ	68,716,900
State general fund/general purpose	\$	0
Full-time equated classified positions	Φ	00.057.000
State trunkline operations—699.6 FTE positions	\$	99,057,900 133,853,200
GROSS APPROPRIATION	Φ-	
	\$	232,911,100
Appropriated from: Special revenue funds:		
*		222 011 100
State trunkline fund	Φ	232,911,100
State general fund/general purpose	\$	U
State trunkline federal aid and road and bridge construction	\$	921,880,300
Local federal aid and road and bridge construction	Ф	215,132,000
Grants to local programs		33,000,000
Rail grade crossing		3,000,000
Critical bridge fund		29,750,000
County road commissions		597,971,700
Cities and villages		333,396,100
GROSS APPROPRIATION	\$	2,134,130,100
Appropriated from:	Ψ	2,134,130,100
Federal revenues:		
DOT-FHWA, highway research, planning, and construction		895,319,300
Special revenue funds:		0,5,51,,500
Local funds		5,000,000
Blue Water Bridge fund		1,000,000
Michigan transportation fund		972,367,800
State trunkline fund.		260,443,000
State general fund/general purpose	\$	0
Sec. 112. BLUE WATER BRIDGE	Ψ	Ů
Full-time equated classified positions		
Blue Water Bridge operations—33.0 FTE positions	\$	10,265,500
GROSS APPROPRIATION	\$	10,265,500
Appropriated from:	Ψ	10,200,000
Special revenue funds:		
Blue Water Bridge fund		10,265,500
State general fund/general purpose	\$	0
Sec. 113. TRANSPORTATION ECONOMIC DEVELOPMENT FUND	4	V
Forest roads	\$	5,040,000
Rural county urban system	,	2,500,000
Target industries/economic redevelopment		19,404,300
		, ,

For Fiscal Year

		For Fiscal Year
		Ending Sept. 30, 2003
Urban county congestion		7,952,000
Rural county primary		7,952,000
GROSS APPROPRIATION	\$ -	42,848,300
	Ф	42,040,300
Appropriated from:		
Special revenue funds: Economic development fund		12 949 200
	¢.	42,848,300
State general fund/general purpose	\$	0
Full-time equated classified positions	Φ	5 520 600
Administration—56.0 FTE positions	\$	5,530,600
Air service program	φ -	300,000
GROSS APPROPRIATION	\$	5,830,600
Appropriated from:		
Special revenue funds:		5 020 coo
State aeronautics fund	Φ	5,830,600
State general fund/general purpose	\$	0
Sec. 115. BUREAU OF URBAN AND PUBLIC TRANSPORTATION		
Full-time equated classified positions	Φ.	0.505.400
Administration—104.0 FTE positions	\$ _	8,725,400
GROSS APPROPRIATION	\$	8,725,400
Appropriated from:		
Special revenue funds:		
Comprehensive transportation fund		6,953,900
Michigan transportation fund		1,771,500
State general fund/general purpose	\$	0
Sec. 116. BUS TRANSIT DIVISION: STATUTORY OPERATING		
Local bus operating	\$	160,000,000
Nonurban operating/capital		10,300,000
GROSS APPROPRIATION	\$	170,300,000
Appropriated from:		
Federal revenues:		
DOT-federal transit act.		10,100,000
Special revenue funds:		
Comprehensive transportation fund		160,000,000
Local funds		200,000
State general fund/general purpose	\$	0
Sec. 117. INTERCITY PASSENGER AND FREIGHT		
Freight property management	\$	1,500,000
Detroit/Wayne County port authority		500,000
Intercity bus equipment		3,000,000
Rail passenger service		11,300,000
Freight preservation and development		5,692,900
Rail infrastructure loan program		100,000
Intercity bus service development		2,850,000
Marine passenger service		800,000
Terminal development	_	2,884,800
GROSS APPROPRIATION	\$	28,627,700
Appropriated from:		
Federal revenues:		
DOT-federal transit act.		1,500,000
DOT-FRA, local rail service assistance		100,000
DOT-FRA, rail passenger/HSGT		3,000,000
Special revenue funds:		
Rail preservation fund		2,000,000
Intercity bus equipment fund		1,000,000
Comprehensive transportation fund		20,977,700

For Fiscal Voor

	For Fiscal Year
	Ending Sept. 30,
	2003
Local funds	50,000
State general fund/general purpose	\$ 0
Sec. 118. PUBLIC TRANSPORTATION DEVELOPMENT	
Specialized services	\$ 3,939,500
Municipal credit program	2,000,000
Bus capital	48,849,500
Ride sharing	330,700
Van pooling	195,000
Bus property management	50,000
Service development and new technology	1,550,000
Planning grants	80,000
Audit settlements	150,000
Regional service coordination	500,000
Work first initiative	5,850,000
GROSS APPROPRIATION	\$ 63,494,700
Appropriated from:	
Federal revenues:	
DOT-federal transit act	35,950,000
Special revenue funds:	
Comprehensive transportation fund	26,994,700
Local funds	550,000
State general fund/general purpose	\$ 0
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 \$2,132,205,400.00 and state spending from state resources to be paid to local units of government for fiscal year 2002-2003 is \$1,176,250,300.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

### DEPARTMENT OF TRANSPORTATION

Local grant program	\$ 33,000,000
Economic development fund	23,444,000
Grants to cities and villages	333,396,100
Grants to county road commissions	597,971,700
Critical bridge fund	5,750,000
Grants to regional planning councils	488,800
Local bus operating.	160,000,000
Bus capital	14,549,500
Marine passenger service	800,000
Detroit/Wayne County port authority	500,000
Local ride sharing operating grants	330,700
Planning grants	80,000
Municipal credit program	2,000,000
Specialized services	3,939,500
Total payments to local units of government	\$ 1,176,250,300

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) "CTF" means comprehensive transportation fund.
- (b) "Department" means the department of transportation.
- (c) "DOT" means the United States department of transportation.
- (d) "DOT-FHWA" means DOT, federal highway administration.
- (e) "DOT-FRA" means DOT, federal railroad administration.
- (f) "DOT-FRA, rail passenger/HSGT" means DOT, federal railroad administration, high-speed ground transportation.
- (g) "EDF" means economic development fund.
- (h) "FTE" means full-time equated.

- (i) "MTF" means Michigan transportation fund.
- (j) "RIF" means recreation improvement fund.
- (k) "SAF" means state aeronautics fund.
- (1) "STF" means state trunkline fund.
- 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 that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, causes loss of revenue to the state, would 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 by the thirtieth of each month 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 month 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 \$100,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to 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 \$40,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to 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 \$1,000,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to 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 \$1,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- Sec. 207. At least 90 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. As used in this section, "privatize" or "privatization" means the transfer of state highway maintenance functions or activities currently performed by department forces, or by boards of county road commissioners, county boards of commissioners, or local units of government under contract with the department, to private contractors.
- 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 senate and house appropriations subcommittees, the state budget office, and the senate and house fiscal agencies 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. The department shall give priority to the purchase of Michigan goods and services.
- 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 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. 259. 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. The user fees shall be subject to provisions of an interagency agreement between the department and the department of information technology.

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.

### **DEPARTMENTAL SECTIONS**

- Sec. 301. (1) The department may establish a fee schedule and collect fees sufficient to cover the costs to issue the permits that the department is authorized by law to issue upon request, and for which fees are not otherwise stipulated by law. All permit fees are nonrefundable application fees and shall be credited to the state trunkline fund to recover the direct and indirect costs of receiving, reviewing, and processing the requests.
- (2) A bridge authority shall hold 3 public hearings on a change in any toll charged by the authority at least 30 days before the toll change will become effective. Two of the hearings shall be held within 5 miles of the bridge over which the bridge authority has jurisdiction. One hearing shall be held in Lansing.
- Sec. 303. On request, the department shall provide to a legislator, in writing, a report on the amount of money to be received by each city and village and the county road commission of each county, that is included in whole or in part within the legislator's legislative district.
- Sec. 304. If, as a requirement of bidding on a highway project, the department requires a contractor to submit financial or proprietary documentation as to how the bid was calculated, that bid documentation shall be kept confidential and shall not be disclosed other than to a department representative without the contractor's written consent. The department may disclose the bid documentation if necessary to address or defend a claim by a contractor.
- Sec. 305. The department may permit space on public passenger transportation properties to be occupied by public or private tenants on a competitive market rate basis. The department may require that revenue from the tenants be placed in an account to be used to pay the costs to maintain and improve the property.
- Sec. 306. From the funds appropriated in part 1, the auditor general shall conduct an audit of charges to transportation funds by state departments. The auditor general shall prepare a detailed report, with recommendations and conclusions, including a list of services charged to transportation funds, the appropriateness of those charges, and the cost allocation methodologies used in determining the level of funding, and provide the report, upon request, to any member of the senate and house of representatives and to the senate and house fiscal agencies by March 1, 2003.
- Sec. 307. Before February 1 of each year, the department will provide to the legislature, the state budget office, and the house and senate fiscal agencies its rolling 5-year plan listing by county or by county road commission all highway construction projects for the fiscal year and all expected projects for the ensuing fiscal years.
- Sec. 308. The department and local road agencies that receive appropriations under this act shall pursue compliance with contract specifications for construction and maintenance of state highways and local roads and streets. Work shall not be accepted and paid for until it complies with contract requirements. Contractors with unsatisfactory performance ratings shall be restricted from future bidding through the prequalification process established by the department or a local road agency. The department, county road commissions, and cities and villages shall report to the house of representatives and senate appropriations subcommittees on transportation on their respective activities under this section.
- Sec. 309. The department shall continue its efforts to reduce administrative costs and provide the maximum funding possible for construction projects.
- Sec. 310. The department shall provide in a timely manner copies of the agenda and approved minutes of monthly transportation commission meetings to the members of the house and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget director.
- Sec. 311. The department shall not use funds appropriated under part 1 on behalf of a local governmental unit to pay the amount required for that local governmental unit to participate in the federal advance construct program.
- Sec. 312. At the close of the fiscal year ending September 30, 2003, any unencumbered and unexpended balance in the state trunkline fund shall remain in the state trunkline fund and shall carry forward and is appropriated for federal aid road and bridge programs for projects contained in the annual state transportation program.
- Sec. 313. (1) From funds appropriated in part 1, the department may increase a state infrastructure bank program and grant or loan funds in accordance with regulations of the state infrastructure bank program of the United States department of transportation. The state infrastructure bank is to be administered by the department for the purpose of providing a revolving, self-sustaining resource for financing transportation infrastructure projects.
- (2) In addition to funds provided in subsection (1), money received by the state as federal grants, repayment of state infrastructure bank loans, or other reimbursement or revenue received by the state as a result of projects funded by the program and interest earned on that money shall be deposited in the revolving state infrastructure bank fund and shall be available for transportation infrastructure projects. At the close of the fiscal year, any funds remaining in the state infrastructure bank fund shall remain in the fund and be carried forward into the succeeding fiscal year.
- Sec. 314. The department shall provide a report prepared by the department's internal auditor on the activities of the internal auditor for the prior fiscal year. This report shall include a listing of each audit or investigation performed by the internal auditor pursuant to sections 486(4) and 487 of the management and budget act, 1984 PA 431, MCL 18.1486

and 18.1487. The report shall identify the proportion of time spent on each of the statutory responsibilities listed in sections 485(4), 486(4), and 487 of the management and budget act, 1984 PA 431, MCL 18.1485, 18.1486, and 18.1487, and the time spent on all other activities performed in the internal audit function. The report shall be due biennially beginning on May 1, 2001 and shall be submitted to the governor, auditor general, the senate and house of representatives appropriations committees, the senate and house fiscal agencies, and the director.

Sec. 317. Funds appropriated in part 1 for state transportation commission per diem payments shall provide daily per diem payments of \$100.00 to each of the 6 appointed members of the state transportation commission for all scheduled state transportation commission meetings.

Sec. 318. The department shall continue its program to increase the use of women- and minority-owned businesses in state and local road construction projects. This program shall comprise, at a minimum, outreach and education efforts to inform women- and minority-owned firms of department competitive bidding processes and requirements, and an assessment of the availability of surety for women- and minority-owned businesses. The department shall report by March 31, 2003 to the house of representatives and senate appropriations subcommittees on transportation and the house and senate fiscal agencies of its progress in complying with this section.

Sec. 319. The department shall post signs at each rest area to identify the agency or contractor responsible for maintenance of the rest area. The signs shall include a department telephone number and shall indicate that unsafe or unclean conditions at the rest area may be reported to that telephone number.

Sec. 322. Not later than January 1, 2003, the department shall fill all vacant bridge inspector positions. Not later than February 15, 2003, the department shall report to the senate and house of representatives appropriations subcommittees on transportation the number of full-time and part-time positions assigned to bridge inspection activities, the number of vacancies, and any plans to fill the vacancies.

Sec. 324. From the funds appropriated in part 1, up to \$700,000.00 from the state trunkline fund shall be used for enhanced construction zone traffic law enforcement. The funding shall be used to reimburse law enforcement agencies for costs associated with construction zone traffic enforcement. The funding shall be provided based on approved memoranda of understanding between the department and participating law enforcement agencies.

Sec. 328. The department shall issue a preliminary list of those bridges that are scheduled to receive federal bridge funds under the critical bridge program and shall notify those local communities and road agencies by December 31, 2002. The department shall issue a final list of those bridges that are scheduled to receive federal bridge funds under the critical bridge program and shall notify those local communities and road agencies scheduled to receive federal bridge funding under the critical bridge program no later than February 3, 2003.

Sec. 334. The department shall pursue grants from federal or other sources to study the use of power sources other than gasoline or diesel fuel for the propulsion of motor vehicles.

Sec. 335. The department shall work in collaboration with the family independence agency regarding the summer youth programs. The programs shall seek to employ inner city youth in street and highway beautification projects.

Sec. 349. The department shall develop a plan to implement the policy of the state transportation commission on noise abatement. The department shall report on its efforts to implement the commission's policy to the house and senate appropriations subcommittees on transportation and to the house and senate fiscal agencies on or before October 1, 2002

Sec. 350. (1) The established overall disadvantaged business enterprise goal shall identify the relative availability of disadvantaged business enterprises based on evidence of ready, willing, and able disadvantaged business enterprises relative to all firms within the department's marketplace. The overall annual goal shall reflect the department's determination of the level of disadvantaged business enterprise participation which could be expected absent the effects of discrimination. The department's methodology to develop the overall disadvantaged business enterprise goal will be announced in electronic and print media to ensure broad public participation in the goal-setting process in accordance with 49 C.F.R. 26.45.

(2) The department shall work to coordinate a meeting prior to the annual construction season between the road construction industry and the Michigan minority business development council.

Sec. 351. From the funds appropriated in part 1, up to \$1,500,000.00 shall be made available for additional lane closure incentives on the M-6/US-131 project for calendar year 2003. Funding may be provided from any excess funds available under the M-6 project.

Sec. 352. (1) Each county road commission, or in the case of a charter county with a population of 2,000,000 or more with an elected county executive that does not have a board of county road commissioners, the county executive, shall prepare, and present to the department, a map illustrating the all-season county road network under its jurisdiction. The county road commissions shall record this information on an official county highway map provided to them by the department. The department shall provide each county road commission with 3 official copies of their county road highway map on or before October 1, 2003.

(2) After compiling this information for all Michigan counties, the department shall prepare a report on the current all-season road network within the state. This report shall illustrate the current all-season road network under state and county control, identify contiguity gaps in this network, and suggest ways to improve connectivity on the current all-

season network. This report shall be presented to the house and senate appropriations subcommittees on transportation, the house and senate transportation policy committees, and the house and senate fiscal agencies on or before October 1, 2004.

Sec. 353. The department shall review its contractor payment process and use its best efforts to ensure that all prime contractors are paid promptly. The department shall work to ensure that prime contractors are in compliance with special provision 109.10 regarding the prompt payment of subcontractors.

Sec. 355. The department in consultation with the department of environmental quality shall design and build at least 1 demonstration road preservation project using an asphalt pavement design mixture including recycled or scrap tires. For purposes of the demonstration, 1 of these projects may be constructed on a local road requiring repaving. The department shall report to the house and senate appropriations subcommittees on transportation and the house and senate fiscal agencies by March 1, 2003 on its findings.

Sec. 357. Where possible, the department shall complete all necessary reviews and inspections required to let local federal aid projects within 120 days of the department's receipt of local federal aid project submittals. The department shall implement a system for monitoring the local federal aid project review process.

#### **FEDERAL**

Sec. 401. When the department receives authorization from the federal government to commit transportation funds pursuant to federal appropriations, it shall present to the senate and house of representatives appropriations transportation subcommittees and the senate and house fiscal agencies, the federal amounts and categories authorized and the department's recommendation for distribution of these funds. If a recommendation or recommendations are not disapproved within 30 business days by either the senate or house of representatives appropriations transportation subcommittees, then the recommendation or recommendations shall be considered as approved. If either the senate or house of representatives appropriations transportation subcommittee disapproves the proposed distribution, then the senate and house of representatives appropriations transportation subcommittees and the department shall hold a joint meeting on the issue to arrive at a final distribution. If no agreement is reached between the parties, the department's distribution shall stand.

Sec. 402. (1) Twenty-three to twenty-seven percent of the DOT-FHWA highway research, planning, and construction federal funds appropriated in part 1 shall be allocated to programs administered by local jurisdictions after deduction of the following:

- (a) Funds that are specifically allocated at the federal level to the state or local jurisdictions.
- (b) Funds allocated by the department to the state and to local jurisdictions through a competitive process.
- (2) Federal aid excluded from the calculation of funding allocated to programs administered by local jurisdictions in subsection (1) includes, but is not limited to, congestion mitigation and air quality funds, federal bridge funds, transportation enhancement funds, funds distributed at the discretion of the United States secretary of transportation, and congressionally designated funds.
- (3) The funds shall be distributed to eligible local agencies for transportation purposes in a manner consistent with state and federal law.
- (4) Federal aid to highways allocated to local jurisdictions in subsection (1) shall be distributed in a manner that produces a 25% average allocation of applicable funds to programs for local jurisdictions in each fiscal year through the fiscal year ending September 30, 2005. The average allocation of applicable federal aid to highway funds to programs for local jurisdictions shall be the average of the amount distributed to local jurisdictions under subsection (1) and similarly calculated distributions in each succeeding fiscal year.
- (5) The allocation percentage described in subsection (1) shall be adjusted to reflect any voluntary agreements made by the department with local jurisdictions regarding the transfer of federal aid eligible roadways or the state buyout of local federal aid.
  - (6) The department shall not borrow against the critical bridge fund for the first 9 months of the fiscal year.
- (7) The federal funds appropriated in part 1 for local federal aid and road and bridge construction, to eligible local road agencies, may be transferred through a voluntary buyout agreement made between eligible local road agencies.

Sec. 404. It is the intent of the legislature that \$3,750,000.00 in federal high priority project funds designated in the transportation equity act for the 21st century, Public Law 105-178, 112 Stat. 107, to improve I-94 in Kalamazoo County be expended by the department for preliminary engineering and design work related to rehabilitation and capacity improvements to I-94 between US-131 and Sprinkle road in Kalamazoo County.

Sec. 405. Of the funds appropriated in part 1 for the critical bridge program, \$24,000,000.00 in federal highway bridge replacement and rehabilitation program funds are allocated to the critical bridge fund for the purpose of repairing or replacing bridges in the local off-system categories and local on-system categories. These funds shall be excluded from calculation of funding allocated to programs administered by local jurisdictions required in section 402.

## MICHIGAN TRANSPORTATION FUND

Sec. 501. The money received under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.43, and not appropriated to the department of consumer and industry services or the department of state police is deposited in the Michigan transportation fund.

- Sec. 502. The department of treasury shall perform audits and make investigations of the disposition of all state funds received by county road commissions or county boards of commissioners, as applicable, and cities and villages for transportation purposes to determine compliance with the terms and conditions of 1951 PA 51, MCL 247.651 to 247.675. County road commissions or county boards of commissioners, as applicable, and cities and villages shall make available to the department of treasury the pertinent records for the audit.
- Sec. 503. (1) The funds appropriated in part 1 for the economic development and critical bridge programs shall not lapse at the end of the fiscal year but shall carry forward each fiscal year for the purposes for which appropriated in accordance with 1987 PA 231, MCL 247.901 to 247.913, and section 11b of 1951 PA 51, MCL 247.661b.
- (2) Interest earned in the department of transportation economic development fund and critical bridge fund shall remain in the respective funds and shall be allocated to the respective programs based on actual interest earned at the end of each fiscal year.
- (3) The department of transportation economic development fund and critical bridge fund may receive and expend federal, local, or private funds or restricted source funds such as interest earnings for projects that are consistent with the programmatic mission of the respective funds in addition to funds appropriated in part 1.
- (4) None of the funds statutorily dedicated to the transportation economic development fund and critical bridge fund shall be diverted to other projects.
- Sec. 504. (1) Funds from the Michigan transportation fund (MTF) shall be distributed to the comprehensive transportation fund (CTF), the economic development fund (EDF), the recreational improvement fund (RIF), and the state trunkline fund (STF), in accordance with this act and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may only be used as specified in this act, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108.
- (2) The amounts appropriated and transferred to various state agencies from part 1 shall be expended from the transportation funds pursuant to annual contracts between the department and state agencies providing tax and fee collection and other services applicable to transportation funds. The contracts shall be executed prior to the transfer of these funds. The contracts shall provide, but are not limited to, the following data applicable to each state agency:
  - (a) Estimated costs to be recovered from transportation funds.
  - (b) Description of services financed with transportation funds.
- (c) Detailed cost allocation methods that are appropriate to the type of services being provided and the activities financed with transportation funds.
- (3) At the close of each fiscal year and before April 1, each state agency receiving an interdepartment and statutory contract from the department shall submit a written report to the department, the state budget director, and the house and senate fiscal agencies stating by spending authorization account the amount of estimated funds contracted with the department, the amount of funds expended, and the amount of funds returned to the transportation funds. A copy of the report shall be submitted to the auditor general and the report shall be subject to audit by the auditor general.
- (4) In addition to subsection (2), the department is authorized to receive billings from other state agencies that provide transportation-related services and to make payments from the Michigan transportation fund, comprehensive transportation fund, economic development fund, state aeronautics fund, and state trunkline fund as determined by the department based on allowable expenditures and verification by the department.
- Sec. 505. (1) Of the amount appropriated in part 1 from the Michigan transportation fund to the department of state, \$186,600.00 represents the additional cost of issuing specialized license plates for veterans and national guard members, as included in sections 803i, 803j, 803k, and 803l of the Michigan vehicle code, 1949 PA 300, MCL 257.803i, 257.803j, 257.803k, and 257.803l, and \$187,600.00 represents the additional cost of issuing generic license plates for nonprofit fraternal or public service organizations, as included in section 803m of the Michigan vehicle code, 1949 PA 300, MCL 257.803m.
- (2) In addition, commemorative and specialty license plate fee revenue collected by the department of state and deposited into the Michigan transportation fund is authorized for expenditure by the department of state up to the amount of revenue collected, but not to exceed \$2,147,300.00 for commemorative plates and \$3,915,000.00 for specialty plates. These amounts are appropriated to the department of state in part 1 to administer the commemorative and specialty license plate programs pursuant to section 225 of the Michigan vehicle code, 1949 PA 300, MCL 257.225.
- (3) The department of state shall prepare an annual report on the number of, and the additional costs associated with, these license plate programs to the department, the state budget director, the house and senate fiscal agencies, and the chairpersons of the house of representatives and senate appropriations subcommittees on transportation.
- (4) Any unspent funds based on these annual reports shall lapse to the Michigan transportation fund and be distributed in accordance with 1951 PA 51, MCL 247.651 to 247.675.
- Sec. 506. From the funds appropriated in part 1 for county road commissions, no county road commission shall pay any fee to the state department of natural resources to cut down and/or remove any tree or vegetation on any county right-of-way property.

Sec. 507. It is the intent of the legislature to reduce the level of funding for grants from state-restricted transportation funds to other state departments. The department shall recommend alternative funding methods for services provided by other state departments, other than interdepartmental grants from state-restricted transportation funds. The department shall report its recommendations to the house and senate appropriations subcommittees on transportation and to the house and senate fiscal agencies by February 1, 2003.

# STATE TRUNKLINE FUND

Sec. 601. The department shall work with the road construction industry to develop performance and road construction warranties for construction contracts. The development of warranties shall include warranties on materials, workmanship, performance criteria, and design/build projects. The department will report by September 30, 2003 to the house of representatives and senate appropriations subcommittees on transportation, the state budget office, and the house and senate fiscal agencies on the status of efforts to develop performance and road construction warranties.

Sec. 602. If the department uses manufactured pipe for road construction drainage, the department shall require that pipe used under certain load-bearing conditions beneath the roadway meet the standards established by the American society for testing and materials (ASTM) or American association of state highway and transportation officials (AASHTO). The department may also use the mandrel test for manufactured pipe 60 days after installation and provide a summary of the results of these inspections to the house of representatives and senate appropriations subcommittees on transportation and house and senate fiscal agencies.

Sec. 603. It is the intent of the legislature that the department shall use traffic congestion as 1 of the criteria in determining the priorities for designating which roads shall be remediated in its 5-year road plan, which must be submitted on or before February 1, 2003. Criteria for evaluating traffic congestion shall include, but not be limited to, coordination with local, county, and regional planning, improvement in traffic operations, improvement in physical roadway conditions, accident reduction, and coordination with area public transportation planning.

Sec. 607. Funding shall be made available for the remediation of unsafe pedestrian crossings on state highways. Funds from this appropriation may be expended only as matching funds for up to 50% of project cost with additional project funding to be provided by local units of government or through private contributions. Selected projects shall require the approval of the transportation commission. Maintenance of pedestrian overpasses constructed from funds made available through this appropriation shall be the responsibility of a local unit of government or public or private institutions of higher education.

Sec. 608. From the amounts appropriated in part 1 for forest roads from the transportation economic development fund in the fiscal year ending September 30, 2003, \$40,000.00 shall be used for the purpose of establishing 2 additional truck inspection stations. The department shall work directly with representatives of the timber industry to educate truck drivers on the use of the stations. The department shall report on the status of this program.

Sec. 610. It is the intent of the legislature that the department have as a priority the removal of dead deer and other large animal remains from the traveled portion and shoulder of state highways. The department, and counties that perform state highway maintenance under contract, shall remove animal remains, wherever practicable, away from the traveled portion and shoulder of state highways.

Sec. 611. From the funds appropriated in part 1, funding from the state trunkline fund shall be used to provide for an east-west all-season road through Barry County.

Sec. 612. From the funds appropriated in part 1, the department shall conduct a feasibility study regarding the construction of a northbound ramp at I-675 and Washington avenue in the city of Saginaw. The study shall be completed and the findings communicated to the senate and house of representatives appropriations subcommittees on transportation and the senate and house fiscal agencies by February 1, 2003.

Sec. 613. From the funds appropriated in part 1, the department shall conduct a feasibility study regarding the construction of a full interchange between exits 212 and 215 on I-75 in Ogemaw County at M-30. The study shall be completed and the findings communicated to the senate and house of representatives appropriations subcommittees on transportation and the senate and house fiscal agencies by February 1, 2003.

Sec. 614. From the funds appropriated in part 1, the department shall install a traffic light at Vance road and M-37 in Grand Traverse County.

Sec. 615. From the funds appropriated in part 1, the department shall conduct a feasibility study regarding the construction of an interchange on I-96 at Sternberg Road in Muskegon County. The study shall be completed and the finds communicated to the senate and house of representatives appropriations subcommittees on transportation and the senate and house fiscal agencies by February 1, 2003.

Sec. 616. From the funds appropriated in part 1, the department shall conduct a study regarding traffic conditions on M-104 in Ottawa County between I-96 and Spring Lake. The study shall consider highway improvements to increase traffic safety. The study shall be completed and the findings communicated to the senate and house of representatives appropriations subcommittees on transportation and the senate and house fiscal agencies by February 1, 2003.

Sec. 617. From the funds appropriated in part 1, the department shall conduct a feasibility study regarding the construction of a full interchange at the intersection of M-48 and I-75 in Chippewa County. The study shall be

completed and the findings communicated to the senate and house of representatives appropriations subcommittees on transportation and the senate and house fiscal agencies by February 1, 2003.

Sec. 618. The department shall select alternative II, as identified in the draft environmental impact statement for the US-127 west interchange portion of the I-94 freeway modernization project in Jackson County.

### COMPREHENSIVE TRANSPORTATION FUND

Sec. 701. Money that is received by the state as a lease payment for state-owned intercity bus equipment is not money to be deposited in the comprehensive transportation fund under section 10b of 1951 PA 51, MCL 247.660b, but is money that is deposited in an intercity bus equipment fund for appropriation for the purchase and repair of intercity bus equipment. Proceeds received by the state from the sale of intercity bus equipment are deposited in an intercity bus equipment fund for appropriation for the purchase and repair of intercity bus equipment. Security deposits from the lease of state-owned intercity bus equipment not returned to the lessee of the equipment under terms of the lease agreement are deposited in an intercity bus equipment fund for appropriation for the repair of intercity bus equipment.

Sec. 702. Money that is received by the state as repayment for loans made for rail or water freight capital projects, and as a result of the sale of property or equipment used or projected to be used for rail or water freight projects shall be deposited in the fund created by section 17 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.67.

Sec. 703. After receiving notification from a railroad company pursuant to section 8 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.58, the department shall immediately notify the house of representatives and senate appropriations subcommittees on transportation and the state budget office that the railroad company has filed with the appropriate governmental agencies for abandonment of a line.

Sec. 704. The department shall submit a report to both the house and senate appropriations subcommittees on transportation and the house and senate fiscal agencies by March 1 of each year outlining its efforts to develop a highspeed rail program as well as efforts to obtain funding for this purpose. The report shall include recommendations on self-sustaining revenue sources to increase awareness and include efforts to increase ridership.

Sec. 705. From the funds appropriated in part 1, \$100,000.00 is allocated for a rail infrastructure loan program. The program shall provide noninterest-bearing loans for rail infrastructure improvements. The department shall evaluate loan applications according to the relative merit of the project in conjunction with program goals. The transportation commission shall approve the loans. The loans shall fund not more than 90% of the rail portion of project costs, and the loan repayment period shall not exceed 10 years. Local governments, railroads, and current or potential users of freight railroad services are eligible applicants. At the end of the fiscal year, unexpended funds shall remain in the rail infrastructure loan program and shall be available to be allocated for the purposes of the program in the succeeding fiscal year. Money that is received by this state as repayment for rail infrastructure loans made pursuant to this program shall remain within the rail infrastructure loan program and shall be allocated for the purposes of the program. The state's total contribution to the rail infrastructure loan program shall not exceed \$15,000,000.00.

Sec. 706. The Detroit/Wayne County port authority shall issue a complete operations assessment and a financial disclosure statement. The operations assessment shall include operational goals for the next 5 years and recommendations to improve land acquisition and development efficiency. The report shall be completed and submitted to the house of representatives and senate appropriations subcommittees on transportation, the state budget office, and the house and senate fiscal agencies by February 15, 2003.

Sec. 707. For the fiscal year ending September 30, 2003, each eligible authority and each eligible governmental agency which provides public transportation services in urbanized areas with a Michigan population of less than or equal to 100,000 and nonurbanized areas under section 5311 of title 49 of the United States Code, 49 U.S.C. 5311, shall receive a grant of up to 60% of its eligible operating expenses. Each eligible authority and each eligible government agency which provides public transportation services in urbanized areas with a Michigan population of greater than 100,000 under section 5307 of title 49 of the United States Code, 49 U.S.C. 5307, shall receive a grant of up to 50% of its eligible operating expenses.

Sec. 708. If funds appropriated in part 1 are used to provide state-owned or state-leased buses to private intercity bus carriers, the department shall charge not less than \$1,000.00 per bus per year for their use.

Sec. 709. (1) The following bus routes are designated as an essential corridor in Michigan:

Between St. Ignace and Escanaba Between Escanaba and Duluth US-2 through Ironwood to the state line Between Calumet and Escanaba US-41 Between Escanaba and Milwaukee US-41 through Menominee to the state line Between St. Ignace and Sault Ste. Marie Between Detroit and Chicago I-94 from Detroit to the state line Between Detroit and Muskegon I-96 I-196 to I-94

Between Grand Rapids, Holland, and Benton Harbor Between Muskegon and Grand Rapids US-31, I-96 I-75

Between Detroit and Bay City

Between Bay City and Mount Pleasant Between Jackson and Traverse City

Between Jackson and Indianapolis

Between Houghton Lake and Cadillac

Between Detroit and Toledo

Between the Indiana state line and Traverse City

Between Detroit and Port Huron Between Toledo and Bay City Between Bay City and Chicago

Between Flint and Lansing Between Bay City and St. Ignace Between Grand Rapids and St. Ignace US-10, M-20

US-127, US-27, I-75, Grayling, Gaylord,

M-72 to Traverse City

I-69, I-94 to the state line through Albion,

Marshall, and Coldwater

M-55 and M-66

I-75 to the state line

US-31 and I-196

I-375 and I-94

US-23, I-75, and I-675, I-75

I-75, Flint, I-69, I-94, Battle Creek,

I-94 to the state line

I-69, M-21, Owosso, M-52, I-69

I-75, US-23

US-131, Cadillac, M-115, Mesick,

M-37 to Traverse City, US-31, Acme, M-72,

Kalkaska, US-131, Boyne Falls, M-75,

Walloon Lake, US-131, Petoskey, US-31, I-75,

St. Ignace

US-131

Between Kalamazoo and Grand Rapids

- (2) Any changes to the essential corridor list in subsection (1) shall be approved by the house and senate appropriations subcommittees on transportation.
- (3) No entity shall receive operating assistance for a scheduled regular route service which is competing with another private or public carrier over the same route.
- Sec. 710. Whenever possible, the department shall work with the local transit agencies to avoid establishing new routes that duplicate existing routes served by intercity carriers when providing services under regional transportation service programs. It is preferable that private intercity carriers be provided an opportunity to bid by local public transit agencies on services funded through the regional transportation service program.
- Sec. 711. (1) From the funds appropriated in part 1 from the comprehensive transportation fund for rail passenger service, the department shall negotiate with a rail carrier to provide rail service between Grand Rapids and Chicago and between Port Huron and Chicago on a 7-day basis, consistent with the other provisions of this section.
- (2) The department shall work with the rail carrier, local communities, and the federal government to increase marketing efforts to promote awareness of rail passenger service, to increase ridership, to reduce operating subsidies in conjunction with the federal phaseout of operating subsidies, to maximize the revenue of the rail passenger lines in Michigan, and to improve on-time performance. The department shall submit a report to both the house and senate appropriations committees and the house and senate fiscal agencies by January 1, 2003, that provides a 5-year history on services, ridership, and subsidies.
- (3) Future state support for the service between Grand Rapids and Chicago and Port Huron and Chicago is dependent on the department's ability to provide a plan and a contract for services that increase ridership and revenue, reduce operating costs, and improve on-time performance. The department shall include a section in the report required in subsection (2) detailing efforts to reduce the dependence on state operating subsidies and projected operating expenses for the next 2 years, and recommending service alternatives, for the Grand Rapids to Chicago service and the Port Huron to Chicago service.
- (4) Any state subsidy shall only provide for the direct operating costs in Michigan and shall not exceed \$5,700,000.00 for the service between Port Huron and Chicago and Grand Rapids and Chicago.
- (5) The rail carrier shall, as a condition to receiving a state operating subsidy, establish a system to monitor, collect, and resolve customer complaints and shall make the information available to the department, the house and senate appropriations subcommittees on transportation, and to the house and senate fiscal agencies.
- (6) If the chosen rail carrier is Amtrak, the department shall require Amtrak to provide information to the department to identify direct and indirect operating costs prior to receiving any state funding. Any state subsidy shall only provide for the direct operating costs in Michigan.
- Sec. 714. The department, in cooperation with local transit agencies, shall work to ensure that demand-response services are provided throughout Michigan. The department shall continue to work with local units of government to address the unmet transit needs in Michigan.
- Sec. 715. (1) On or before January 27, 2003, the department, together with the house and senate fiscal agencies and the department of management and budget, shall estimate the unreserved and unencumbered closing balance of the comprehensive transportation fund (CTF) for the fiscal year ending September 30, 2002. The estimate shall consider lapsed appropriations from the CTF and revised estimates of state restricted transportation revenue.

- (2) On or before February 3, 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 CTF fund balance in excess of \$1,000,000.00. The appropriations included in the transfer request shall be in accordance with the statutory requirements of 1951 PA 51, MCL 247.651 to 247.675, with priority given to local bus operating grants. At the same time the department makes its transfer request, the department shall submit copies of the transfer request to the house of representatives and senate appropriations subcommittees on transportation and the house and senate fiscal agencies.
- Sec. 719. The department may provide advances to local road authorities from the rail grade crossing account pursuant to section 11(1)(g) of 1951 PA 51, MCL 247.661, for the construction of grade separations. Money that is received by the state as a repayment of the advance, including interest on the advance, shall be returned to the rail grade crossing account and be available for the local grade crossing program for advances for the construction of grade separations pursuant to section 11(1)(g) of 1951 PA 51, MCL 247.661.
- Sec. 721. For federal transit administration bus acquisition capital grants matched with CTF funds appropriated in part 1, transit agencies shall have 4 years from the federal approval date to carry out their projects. Contract line items unobligated 4 years after the federal approval date may be matched with CTF funds only up to 15% in the fifth and subsequent years. "Unobligated" means any line item in the contract that is not committed to a third party or purchase order. A waiver shall be granted by the department for an additional year with documented justification from the transit agency accompanied by a resolution from the board or authority seeking a waiver. If a transit agency does not carry out a line item activity in a specific authorization and the transit agency requests funds in a new authorization for that same activity, the line item shall be matched at up to 15%. This section applies only to bus acquisition capital grants. Lapsed funds under this section shall remain in the CTF.
- Sec. 722. From the funds appropriated in part 1 for the work first initiative from the CTF, sufficient funds shall be used as a match for job access reverse commute grants for local transit agencies.
- Sec. 723. From funds appropriated in part 1 for rail passenger service, up to \$1,000,000.00 is appropriated to provide a 20% match for federal funds for capital improvements to facilitate a Lansing to Detroit rail passenger service. This is a 1-time appropriation for community outreach, preliminary engineering, environmental clearance, and design plans only, and no funds from this appropriation shall be used for operating assistance on a Lansing to Detroit rail service. This appropriation is not to be construed as a commitment of operating funds by the legislature. It is the intent of the legislature that funds for ongoing operating costs of a Lansing to Detroit rail service be provided by local units of government within the Lansing to Detroit rail service area. Funds not expended for preliminary engineering, environmental clearance, and design plans shall be returned to the fund from which the appropriation was made.
- Sec. 724. Funds from the appropriations in part 1 shall not be used for any expansion of an intermodal rail freight facility in southwest Detroit, outside of existing railroad property, prior to the completion of an environmental impact statement
- Sec. 725. Within 90 days of enactment of House Bill No. 5467 of the 91st Legislature, the department shall report to the house and senate appropriations committees on the estimated start-up costs associated with the Detroit area regional transportation authority established by House Bill No. 5467 of the 91st Legislature.

### **AERONAUTICS FUND**

- Sec. 801. At the close of the fiscal year ending September 30, 2003, any unobligated and unexpended balance in the state aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund and be appropriated by the legislature in the immediately succeeding fiscal year.
- Sec. 803. (1) From the funds appropriated in section 114, the department shall establish an aeronautics safety officer position to coordinate safety functions between the department, the department of natural resources, and the department of state police. It is the intent of the legislature that the safety officer position is jointly funded by the 3 departments in equal shares.
- (2) In addition to the funds appropriated in section 113, the department is authorized to expend funds received from the department of natural resources and the department of state police that are intended to support the aeronautics safety officer position established in subsection (1).
- Sec. 805. State aeronautics funds appropriated in part 1 for airport safety and protection plan debt service are transferred to the comprehensive transportation fund and are appropriated for the purpose of reimbursing comprehensive transportation fund debt service obligations for the airport safety and protection plan program. This appropriation does not take effect unless House Bill No. 4454 of the 91st Legislature is enacted into law on or before September 30, 2002.
- Sec. 901. In addition to the amounts appropriated in part 1, \$7,421,000.00 from the state liquor purchase revolving fund is appropriated to the Michigan department of transportation for transfer to the department of consumer and industry services for fire protection grants to local units of government to be distributed in accordance with 1977 PA 289, MCL 141.951 to 141.956.

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

A bill to make appropriations for the state transportation department and certain transportation purposes for the fiscal year ending September 30, 2003; to provide for the imposition of fees; to provide for reports; to create certain funds and programs; to prescribe requirements for certain railroad and bus facilities; to prescribe certain powers and duties of certain state departments and officials and local units of government; and to provide for the expenditure of the appropriations.

Scott Shackleton Jerry Kooiman Keith Stallworth Conferees for the House

Philip E. Hoffman Mike Goschka Conferees for the Senate

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

Rep. Patterson moved pursuant to Joint Rule 9, that the Journal printing requirement be suspended, printed copies of the second conference report having been placed on the members' desks.

The motion prevailed.

The question being on the adoption of the second conference report,

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

### Roll Call No. 1039

#### Yeas-92

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

### Navs—15

Anderson Callahan Minore Switalski
Bogardus Drolet Plakas Thomas
Bovin Gieleghem Reeves Zelenko
Brown, R. Hale Rivet

In The Chair: Julian

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

"Mr. Speaker and members of the House:

I voted no the H.B.5651 because of the interdepartmental grants from this budget will use taxpayer dollars to support other departments. The public has been led to believe that all gas tax dollars go to roads under this budget that is not true."

Reps. Thomas, Zelenko and Anderson, 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 for HB 5651 because it breaks the promise made when the gas tax was increased in 1997 to maximize the use of motor fuel and vehicle registration tax revenues for transportation purposes. This budget increases interdepartment grants from the Michigan Transportation Fund to the Secretary of State and the Department of Treasury by approximately \$50 million compared to the originally-passed FY 2002 budget and approximately \$30 million compared to the House-passed FY 2003 budget, which represents a diversion of road funds to run general government operations. Public Act 51 specifically phased out all interdepartment grants from the MTF to the Department of Treasury, which is ignored by the conference report. This diversion of road funds seriously hampers our ability to improve the condition of both State and local roads which are badly in need of repair."

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

"Mr. Speaker and members of the House:

While this bill seeks, in a bit of a charade, to restore important fire protection dollars, it is outrageous that we have adopted this back-door fashion to do so - rather than simpley overriding the Governor's veto of these important funds. In addition, this bill represents the "tweaking" of a promise made to motorists regarding the use of gasoline tax dollars. It's another "promise made-promise broken" by this administration and legislature. The budget contains questionable inter-departmental transfers that erode the tax dollars available for roads, bridges, and local streets. It takes those dollars to fill budget holes in other departmental budgets, contrary to the promise made that gasoline taxes would be used for actual transportation costs & expenditures. For those reasons, I voted NO."

### **Messages from the Senate**

#### Senate Concurrent Resolution No. 67.

A concurrent resolution prescribing the legislative schedule.

Resolved by the Senate (the House of Representatives concurring), That when the Legislature adjourns on Tuesday, August 13, 2002, it stands adjourned until Tuesday, September 17, 2002, at 10:00 a.m. for the Senate and 2:00 p.m. for the House of Representatives.

The Senate has adopted the concurrent resolution.

Pending the reference of the concurrent resolution to a committee,

Rep. Patterson moved that Rule 77 be suspended and the concurrent 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 concurrent resolution,

The concurrent resolution was adopted.

The Senate requested the return of

## House Bill No. 4080, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by amending section 540e (MCL 750.540e), as amended by 1988 PA 395.

Rep. Patterson moved that the request of the Senate be granted.

The motion prevailed.

Rep. Patterson moved that House Committees be given leave to meet during the balance of today's session. The motion prevailed.

Rep. Patterson moved that when the House adjourns today it stand adjourned until Tuesday, September 17, at 2:00 p.m. The motion prevailed.

### Enrolled House Bill No. 5646, entitled

An act to make, supplement, and adjust appropriations for the departments of attorney general, civil rights, civil service, information technology, management and budget, state, and treasury, the executive office, and the legislative branch for the fiscal year ending September 30, 2003; to provide for the expenditure of these appropriations; to provide for the funding of certain work projects; to provide for the imposition of certain fees; to establish or continue certain funds, programs, and categories; to transfer certain funds; to prescribe certain requirements for bidding on state contracts; to provide for disposition of year-end balances for the fiscal year ending September 30, 2003; to prescribe the powers and duties of certain principal executive departments and state agencies, officials, and employees; and to provide for the disposition of fees and other income received by the various principal executive departments and state agencies.

The Senate has passed the vetoed line items by a 2/3 vote, the objections of the Governor to the contrary notwithstanding.

The vetoed line items were referred to the Clerk for certification to the Secretary of State.

### House Bill No. 5896, entitled

A bill to amend 1986 PA 281, entitled "An act to encourage local development to prevent conditions of unemployment and promote economic growth; to provide for the establishment of local development finance authorities and to prescribe their powers and duties; to provide for the creation of a board to govern an authority and to prescribe its powers and duties; to provide for the creation and implementation of development plans; to authorize the acquisition and disposal of interests in real and personal property; to permit the issuance of bonds and other evidences of indebtedness by an authority; to prescribe powers and duties of certain public entities and state officers and agencies; to reimburse authorities for certain losses of tax increment revenues; and to authorize and permit the use of tax increment financing," by amending section 12a (MCL 125.2162a), as added by 2000 PA 248.

The Senate has amended the House amendment as follows:

- 1. Amend the House Amendment to the Senate Amendment, page 7, following line 19, subsection (12), after "NOT" by striking out the balance of the amendment and inserting "INCLUDING CERTIFIED TECHNOLOGY PARKS DESIGNATED UNDER SUBSECTION (8), BUT FOR CERTIFIED TECHNOLOGY PARKS DESIGNATED UNDER SUBSECTION (9) ONLY, THIS STATE SHALL DO ALL OF THE FOLLOWING:
- (A) REIMBURSE INTERMEDIATE SCHOOL DISTRICTS EACH YEAR FOR ALL TAX REVENUE LOST THAT WAS CAPTURED BY AN AUTHORITY FOR A CERTIFIED TECHNOLOGY PARK DESIGNATED BY THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBDIVISION.
- (B) REIMBURSE LOCAL SCHOOL DISTRICTS EACH YEAR FOR ALL TAX REVENUE LOST THAT WAS CAPTURED BY AN AUTHORITY FOR A CERTIFIED TECHNOLOGY PARK DESIGNATED BY THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBDIVISION.
- (C) REIMBURSE THE SCHOOL AID FUND FROM FUNDS OTHER THAN THOSE APPROPRIATED IN SECTION 11 OF THE STATE SCHOOL AID ACT OF 1979, 1979 PA 94, MCL 388.1611, FOR AN AMOUNT EQUAL TO THE REIMBURSEMENT CALCULATIONS UNDER SUBDIVISIONS (A) AND (B) AND FOR ALL REVENUE LOST THAT WAS CAPTURED BY AN AUTHORITY FOR A CERTIFIED TECHNOLOGY PARK DESIGNATED BY THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBDIVISION. FOUNDATION ALLOWANCES CALCULATED UNDER SECTION 20 OF THE STATE SCHOOL AID ACT OF 1979, 1979 PA 94, MCL 388.1620, SHALL NOT BE REDUCED AS A RESULT OF TAX REVENUE LOST THAT WAS CAPTURED BY AN AUTHORITY FOR A CERTIFIED TECHNOLOGY PARK DESIGNATED BY THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION UNDER SUBSECTION (9) AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBDIVISION."

The Senate has concurred in the House amendment as amended and ordered that the bill be given immediate effect. The Speaker announced that pursuant to Rule 45, the bill was laid over one day.

## House Bill No. 6004, entitled

A bill to amend 1982 PA 295, entitled "Support and parenting time enforcement act," by amending sections 2, 3, 25a, 25b, and 28 (MCL 552.602, 552.603, 552.625a, 552.625b, and 552.628), section 2 as amended by 1999 PA 160,

section 3 as amended by 2001 PA 106, and sections 25a and 25b as added and section 28 as amended by 1998 PA 334, and by adding sections 5c, 25c, 25d, 25e, 25f, 25g, 25h, and 25i.

The Senate has substituted (S-2) the bill.

The Senate has passed the bill as substituted (S-2), ordered that it be given immediate effect and amended the title to read as follows:

A bill to amend 1982 PA 295, entitled "An act to provide for and to supplement statutes that provide for the provisions and enforcement of support, health care, and parenting time orders with respect to divorce, separate maintenance, paternity, child custody and support, and spousal support; to prescribe and authorize certain provisions of those orders; to prescribe the powers and duties of the circuit court and friend of the court; to prescribe certain duties of certain employers and other sources of income; to provide for penalties and remedies; and to repeal acts and parts of acts," by amending sections 2, 25a, 25b, and 28 (MCL 552.602, 552.625a, 552.625b, and 552.628), section 2 as amended by 1999 PA 160 and sections 25a and 25b as added and section 28 as amended by 1998 PA 334, and by adding sections 5c, 25c, 25d, 25e, 25f, 25g, 25h, and 25i.

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

#### House Bill No. 6005, entitled

A bill to amend 1969 PA 317, entitled "Worker's disability compensation act of 1969," by amending section 230 (MCL 418.230), as amended by 2000 PA 396.

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. 6006, entitled

A bill to amend 1982 PA 295, entitled "Support and parenting time enforcement act," by amending sections 2, 31, 32, 33, and 35 (MCL 552.602, 552.631, 552.632, 552.633, and 552.635), section 2 as amended by 1999 PA 160, sections 31 and 32 as amended by 2000 PA 442, and sections 33 and 35 as amended by 1998 PA 334.

The Senate has substituted (S-2) the bill.

The Senate has passed the bill as substituted (S-2), 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. 6007, entitled

A bill to amend 1982 PA 295, entitled "Support and parenting time enforcement act," by amending sections 2, 41, 42, 44, and 45 (MCL 552.602, 552.641, 552.642, 552.644, and 552.645), section 2 as amended by 1999 PA 160, sections 41 and 42 as amended by 1996 PA 25, and sections 44 and 45 as amended by 1998 PA 334, and by adding section 42a.

The Senate has substituted (S-2) the bill.

The Senate has passed the bill as substituted (S-2), 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. 6009, entitled

A bill to amend 1982 PA 294, entitled "Friend of the court act," by amending sections 2, 2a, and 17d (MCL 552.502, 552.502a, and 552.517d), section 2 as amended by 1998 PA 63, section 2a as amended by 1999 PA 150, and section 17d as amended by 1996 PA 144, and by adding sections 11a and 11b.

The Senate has substituted (S-2) the bill.

The Senate has passed the bill as substituted (S-2), ordered that it be given immediate effect and amended the title to read as follows:

A bill to amend 1982 PA 294, entitled "An act to revise and consolidate the laws relating to the friend of the court; to provide for the appointment or removal of the friend of the court; to create the office of the friend of the court; to establish the rights, powers, and duties of the friend of the court and the office of the friend of the court; to establish a state friend of the court bureau and to provide the powers and duties of the bureau; to prescribe powers and duties of the circuit court and of certain state and local agencies and officers; to establish friend of the court citizen advisory committees; to prescribe certain duties of certain employers and former employers; and to repeal acts and parts of

acts," by amending sections 17d and 19 (MCL 552.517d and 552.519), section 17d as amended by 1996 PA 144 and section 19 as amended by 2001 PA 193, and by adding sections 11a and 11b.

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

### House Bill No. 6010, entitled

A bill to amend 1982 PA 295, entitled "Support and parenting time enforcement act," by amending section 2 (MCL 552.602), as amended by 1999 PA 160, and by adding section 5d.

The Senate has substituted (S-2) the bill.

The Senate has passed the bill as substituted (S-2), 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. 6011, entitled

A bill to amend 1982 PA 294, entitled "Friend of the court act," by amending sections 2, 2a, 5, 9, 11, 13, 15, 17, 17b, 17c, and 26 (MCL 552.502, 552.502a, 552.505, 552.509, 552.511, 552.513, 552.515, 552.517, 552.517b, 552.517c, and 552.526), section 2 as amended by 1998 PA 63, sections 2a and 9 as amended by 1999 PA 150, section 5 as amended by 1996 PA 365, section 11 as amended by 1996 PA 266, section 13 as amended by 1996 PA 144, section 17 as amended and sections 17b and 17c as added by 1994 PA 37, and section 26 as amended by 1996 PA 366, and by adding section 5a; and to repeal acts and parts of acts.

The Senate has substituted (S-2) the bill.

The Senate has passed the bill as substituted (S-2), 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. 6012, entitled

A bill to amend 1982 PA 295, entitled "Support and parenting time enforcement act," by amending sections 2, 3, 3a, 4, 5a, 7, 10, 17, 19, 24, 24a, and 26 (MCL 552.602, 552.603, 552.603a, 552.604, 552.605a, 552.607, 552.610, 552.617, 552.619, 552.624, 552.624a, and 552.626), section 2 as amended by 1999 PA 160, sections 3 and 26 as amended and section 5a as added by 2001 PA 106, section 3a as amended by 1996 PA 120, sections 4, 7, 17, and 19 as amended and section 24a as added by 1998 PA 334, and section 24 as added by 1985 PA 210, and by adding section 3c.

The Senate has substituted (S-2) the bill.

The Senate has passed the bill as substituted (S-2), ordered that it be given immediate effect and amended the title to read as follows:

A bill to amend 1982 PA 295, entitled "An act to provide for and to supplement statutes that provide for the provisions and enforcement of support, health care, and parenting time orders with respect to divorce, separate maintenance, paternity, child custody and support, and spousal support; to prescribe and authorize certain provisions of those orders; to prescribe the powers and duties of the circuit court and friend of the court; to prescribe certain duties of certain employers and other sources of income; to provide for penalties and remedies; and to repeal acts and parts of acts," by amending sections 2, 3, 3a, 4, 5a, 7, 10, 17, 19, 24, 24a, and 26 (MCL 552.602, 552.603, 552.603a, 552.604, 552.605a, 552.607, 552.610, 552.617, 552.619, 552.624, 552.624a, and 552.626), section 2 as amended by 1999 PA 160, sections 3 and 26 as amended and section 5a as added by 2001 PA 106, section 3a as amended by 1996 PA 120, sections 4, 7, 17, and 19 as amended and section 24a as added by 1998 PA 334, and section 24 as added by 1985 PA 210.

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

## House Bill No. 6017, entitled

A bill to amend 1939 PA 280, entitled "The social welfare act," (MCL 400.1 to 400.119b) by adding section 43b. 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. 6020, entitled

A bill to amend 1966 PA 138, entitled "The family support act," by amending the title and sections 2 and 8a (MCL 552.452 and 552.458a), the title as amended by 1990 PA 237, section 2 as amended by 2001 PA 111, and section 8a as added by 1999 PA 158.

The Senate has amended the bill as follows:

1. Amend page 4, line 1, after "effect" by striking out the balance of the line through "2003" on line 2 and inserting "December 1, 2002".

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.

#### Senate Bill No. 749, entitled

A bill to amend 1980 PA 350, entitled "An act to provide for the incorporation of nonprofit health care corporations; to provide their rights, powers, and immunities; to prescribe the powers and duties of certain state officers relative to the exercise of those rights, powers, and immunities; to prescribe certain conditions for the transaction of business by those corporations in this state; to define the relationship of health care providers to nonprofit health care corporations and to specify their rights, powers, and immunities with respect thereto; to provide for a Michigan caring program; to provide for the regulation and supervision of nonprofit health care corporations by the commissioner of insurance; to prescribe powers and duties of certain other state officers with respect to the regulation and supervision of nonprofit health care corporations; to provide for the imposition of a regulatory fee; to regulate the merger or consolidation of certain corporations; to prescribe an expeditious and effective procedure for the maintenance and conduct of certain administrative appeals relative to provider class plans; to provide for certain administrative hearings relative to rates for health care benefits; to provide for certain causes of action; to prescribe penalties and to provide civil fines for violations of this act; and to repeal certain acts and parts of acts," by amending sections 451, 455, 459, 461, 465, 469, and 479 (MCL 550.1451, 550.1455, 550.1459, 550.1461, 550.1465, 550.1469, and 550.1479), as added by 1994 PA 40, and by adding sections 218, 480, and 480a; and to repeal acts and parts of acts.

The Senate has amended the House amendment as follows:

- 1. Amend House Amendment No. 1, page 1, following "THE PEOPLE OF THE STATE OF MICHIGAN ENACT:" after "SEC. 218." by striking out the balance of the amendment and inserting "A HEALTH CARE CORPORATION SHALL NOT DO ANY OF THE FOLLOWING:
  - (A) TAKE ANY ACTION TO CHANGE ITS NONPROFIT STATUS.
- (B) DISSOLVE, MERGE, CONSOLIDATE, MUTUALIZE, OR TAKE ANY OTHER ACTION THAT RESULTS IN A CHANGE IN DIRECT OR INDIRECT CONTROL OF THE HEALTH CARE CORPORATION OR SELL, TRANSFER, LEASE, EXCHANGE, OPTION, OR CONVEY ASSETS THAT RESULTS IN A CHANGE IN DIRECT OR INDIRECT CONTROL OF THE HEALTH CARE CORPORATION.".

The Senate has concurred in the House amendments as amended, ordered that it be given immediate effect and agreed to the title as amended.

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

## Senate Bill No. 1316, entitled

A bill to create and provide for the operation of the Michigan next energy authority; to provide for the creation and appointment of a board to govern the authority and to prescribe its powers and duties; to provide for the powers and duties of the authority; to extend protections against certain liabilities to the authority; to authorize the conveyance of state land and to confer authority and jurisdiction over state land to the authority; to provide for the issuance of certain bonds, notes, and other obligations; to facilitate the use and development of authority property; to promote alternative energy technology and economic growth; to authorize the acquisition, maintenance, and disposal of interests in real and personal property; to provide for the conveyance of land transferred to the authority; to convey state land; and to exempt property, income, and operations of an authority from tax.

The Senate has amended the House substitute (H-2) as follows:

- 1. Amend page 23, line 16, by striking out all of subsection (3) and inserting:
- "(3) The authority shall certify all of the following personal property and shall provide proof of certification to the assessor of the local tax collecting unit in which the following personal property is located:
- (a) Alternative energy marine propulsion systems, alternative energy systems, and alternative energy vehicles that meet both of the following requirements:
- (i) Were not previously subject to the collection of taxes under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157.
- (ii) Were not previously exempt from the collection of taxes under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157, except for personal property exempt under section 9c or 9i of the general property tax act, 1893 PA 206, MCL 211.9c and 211.9i.
- (b) Tangible personal property of a business that is not an alternative energy technology business that is used solely for the purpose of researching, developing, or manufacturing an alternative energy technology that meets both of the following requirements:
- (i) Was not previously subject to the collection of taxes under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157.

- (ii) Was not previously exempt from the collection of taxes under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157, except for personal property exempt under section 9c or 9i of the general property tax act, 1893 PA 206, MCL 211.9c and 211.9i.".
  - 2. Amend page 40, line 8, after "Sec. 26." by striking out "(1)".
  - 3. Amend page 40, line 14, by striking out all of subsections (2) and (3).

The Senate has concurred in the House substitute (H-2) as amended and agreed to the title as amended.

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

#### **Notices**

I hereby give notice that on the next legislative session day I will move to discharge the Committee on Health Policy from further consideration of **House Bill No. 5103**.

Rep. Basham

I hereby give notice that on the next legislative session day I will move to discharge the Committee on Appropriations from further consideration of **House Bill No. 5642**.

Rep. Sheltrown

I hereby give notice that on the next legislative session day I will move to discharge the Committee on Appropriations from further consideration of **House Bill No. 5643**.

Rep. Neumann

I hereby give notice that on the next legislative session day I will move to discharge the Committee on Appropriations from further consideration of **House Bill No. 5644**.

Rep. Woodward

I hereby give notice that on the next legislative session day I will move to discharge the Committee on Appropriations from further consideration of **House Bill No. 5650**.

Rep. Schauer

By unanimous consent the House returned to the order of

## **Motions and Resolutions**

Reps. Garza, Murphy, Schauer, Thomas, Kolb, Hale, Minore, McConico, Clarke, Clark, Daniels, Williams, Hardman, Waters, Phillips, Dennis, Spade, Bernero, Toy, Vander Veen, Mead, DeWeese, Hansen, Drolet, Van Woerkom, Kuipers, Anderson, Quarles, Adamini, Vander Roest, Ehardt, Richardville, Shulman, Zelenko, Voorhees, Switalski, Rich Brown, Rivet, Schermesser, Lipsey, Raczkowski, Basham, Faunce, Caul, DeRossett, Pappageorge, Sheltrown, Wojno and Plakas offered the following resolution:

#### House Resolution No. 524.

A resolution designating the month of July as Michigan Farmworkers Appreciation Month.

Whereas, For nearly 100 years, hardworking farmworkers have helped cultivate our soil, work our land, and sustain and grow Michigan's agricultural economy and the state's urban and rural areas; and

Whereas, Each year, over 100,000 migrant and seasonal workers perform a wide range of tasks in the production, harvest, and processing of over 45 crops whose estimated total field value is \$2 billion. Farmworkers help Michigan's agriculture lead the nation in the production of 13 crops and Michigan is 10th or better in 21 other crops; and

Whereas, Michigan's economy gained \$34 million in federal government transfer payments for programs to service the migrant and seasonal farmworker population in the state; and

Whereas, The peak of the harvest season is the month of July. Migrant farmworkers spend about half of their season's earnings in rural and urban communities across Michigan where they work. The weekly earnings of all Michigan farmworkers equals 69% of the U.S. wage and salary workers and the migrant farmworkers' earnings only equal 57%; and

Whereas, Farmworkers are excluded from many state and federal labor laws. They work in one of the most hazardous industries, and suffer some of the worse working and living conditions of any group of workers in the state; and

Whereas, For over half a century migrant farmworkers have been making Michigan their home and have become productive members of Michigan's communities and neighborhoods. We wish to recognize Michigan's migrant and seasonal farmworkers and show our appreciation for the contributions they make to our cities, counties, state, and nation; now, therefore, be it

Resolved by the House of Representatives, That the members of this legislative body designate the month of July as Michigan Farmworkers Appreciation Month.

The resolution was referred to the Committee on House Oversight and Operations.

Reps. Bernero, Dennis, Spade, Kolb, Vander Veen, DeWeese, Hansen, Phillips, Drolet, Van Woerkom, Anderson, Quarles, Adamini, Vander Roest, Ehardt, Richardville, Shulman, Zelenko, Jamnick, Voorhees, Switalski, Minore, Thomas, Rich Brown, Rivet, Schermesser, Waters, Lipsey, McConico, Raczkowski, Basham, Faunce, Caul, Hardman, DeRossett, Clark, Pappageorge, Sheltrown, Wojno and Murphy offered the following resolution:

#### House Resolution No. 525.

A resolution honoring the First Annual Lao Veterans of America Recognition Day in Michigan on September 7, 2002. Whereas, It is with a shared commitment to the noble ideals of our country that we join with the membership of the Lao Veterans of America, Inc., Michigan Chapter, in recognizing September 7, 2002 as the First Annual Lao Veterans of America Recognition Day; and

Whereas, This special recognition day is to commemorate Hmong and Lao combat soldiers who were recruited and served in the United States "Secret Army" in Laos during the Vietnam War from 1960 to 1975; and

Whereas, As members and friends gather to commend this patriotic occasion, we add our own thanks for the contributions Lao/Hmong veterans of America continue to make to keep our cherished liberties alive; and

Whereas, The Lao Veterans of America, Inc., represents veterans who served the United States honorably and is the largest veteran organization of its kind in the United States, which includes tens of thousands Hmong and Lao combat veterans; and

Whereas, Lao Veterans of America, Inc., has been honored by members of Congress and the United States military for its work. It is the purpose of the Lao Veterans of America, Inc., to assist immigrants from Southeast Asia to better adapt to be successful in American society; and

Whereas, The Lao Veterans of America, Inc., provides a variety of self-development and assistance services to improve their vocational and language skills through education qualifying them to obtain better jobs; now, therefore, be it

Resolved by the House of Representatives, That the members of this legislative body honor the First Annual Lao Veterans of America Recognition Day in Michigan on September 7, 2002; and be it further

Resolved, That a copy of this resolution be transmitted to the Lao Veterans of America, Inc., Michigan Chapter, as a token of our esteem.

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. Kolb, Dennis, Spade, Bernero, Vander Veen, Mead, DeWeese, Hansen, Phillips, Drolet, Van Woerkom, Anderson, Adamini, Bovin, Vander Roest, Ehardt, Shulman, Zelenko, Jamnick, Voorhees, Switalski, Minore, Thomas, Rich Brown, Rivet, Schermesser, Waters, Lipsey, McConico, Raczkowski, Basham, Faunce, Caul, Hardman, DeRossett, Clark, Pappageorge, Rocca, Sheltrown, Wojno and Murphy offered the following resolution:

# House Resolution No. 526.

A resolution honoring St. Andrew's Episcopal Parish of Ann Arbor on its 175th anniversary.

Whereas, It is most appropriate for us to recognize St. Andrew's Church of Ann Arbor upon the occasion of its 175th anniversary. The second oldest Episcopal parish in Michigan, the Mission Church in Ann Arbor was organized a few years after the first settlers came to Ann Arbor. The church's bylaws were adopted on April 19, 1828; and

Whereas, Starting in 1827, the first services of the church were held in the homes of parishioners, including Mrs. Hannah Gibbs Clark, the jail house square, a carpenter shop, a brick schoolhouse, the courthouse, and the Goodrich Tavern. The present edifice, the oldest church building in continuous use in Ann Arbor, was consecrated on November 10, 1869; and

Whereas, Throughout St. Andrew's history, it has been intimately connected with the life of Ann Arbor and the University of Michigan. The church has been open for community functions and meetings and has played a strong community role in supporting anti-bias, equality, and social programs. Many students, as well as a number of local organizations, have relied upon St. Andrew's services and facilities; and

Whereas, St. Andrew's is also celebrating the 20th anniversary of their breakfast program which offers free meals to those in need; and

Whereas, The 175th celebration is indeed a most appropriate time to offer a prayer of thanksgiving and to commemorate a precious 175 years of service to God and His children; now, therefore, be it

Resolved by the House of Representatives, That the members of this legislative body honor St. Andrew's Episcopal Parish of Ann Arbor on its 175th anniversary; and be it further

Resolved, That a copy of this resolution be transmitted to St. Andrew's Church as evidence of our high esteem.

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. Allen, Spade, Middaugh, Bernero, Toy, Vander Veen, Hummel, Mead, DeWeese, Stamas, Hansen, Phillips, Drolet, Van Woerkom, Kuipers, Anderson, Vander Roest, Ehardt, DeVuyst, Richardville, Shulman, Zelenko, Jamnick, Voorhees, Switalski, Thomas, Rich Brown, Rivet, Schermesser, Lipsey, Raczkowski, Basham, Faunce, Shackleton, Caul, DeRossett, Pappageorge, Rocca, Sheltrown and Murphy offered the following resolution:

#### House Resolution No. 527.

A resolution congratulating the Michigan Agri-Business Association on their hard work and promotion of the positive aspects of biotechnology.

Whereas, The Michigan Agri-Business Association can trace it's roots to 1903 with the formation of the Michigan Grain Dealers Association. Since then, they have kept their primary interest of furthering the development and prosperity of businesses engaged in agriculture constant. They are a strong supporter of education and informational programs on a wide variety of topics including grain grading schools, personnel management, and biotechnology education and promotion; and

Whereas, Biotechnology refers to any technique that uses living organisms, or parts thereof, to make or modify a product, plant, or micro-organism for specific uses. It has been used by humankind for thousands of years to benefit and improve the overall properties of plants, animals, and micro-organisms; and

Whereas, In the last three decades, the scientific community has made significant advances in molecular biology that resulted in the discovery of Deoxyribonucleic Acid (DNA), giving us the ability to more fully understand the fundamental building blocks of organisms and to use that knowledge to be able to move genetic material between more distantly related organisms; and

Whereas, Pest and disease resistant crops that are developed through biotechnology preserve and improve the environment by reducing the need for herbicides and pesticides and advanced plant-breeding techniques introduce beneficial traits to the crops we grow for food and fiber; and

Whereas, Modern biotechnology is being used to increase the productivity of crops and livestock, improve the quality of life by developing new high-yielding crops that require fewer inputs and conserve natural resources, increase the food supply for a rapidly increasing human population, produce more nutritious foods with longer shelf lives, and to continue to provide consumers with high-quality, low-cost products; and

Whereas, Further advances in modern biotechnology may result in improved crops that could combat vitamin and mineral deficiencies that afflict hundreds of millions of people worldwide or that can be used to produce life-saving vaccines and bio-degradable plastics. The Michigan Agri-Business Association promotes the responsible use of and the beneficial qualities of biotechnology, such as pharmaceuticals, anti-immune disease control, bio-degradable plastics, and other areas that will be beneficial to the people in Michigan, the United States of America, and the global environment of the earth through high-yield agricultural production; now, therefore, be it

Resolved by the House of Representatives, That the members of this legislative body congratulate the Michigan Agri-Business Association on their hard work and promotion of the positive aspects of biotechnology; and be it further Resolved, That a copy of this resolution be transmitted to the Michigan Agri-Business Association as evidence of our support.

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.

Rep. Schauer moved that the House adjourn. The motion prevailed, the time being 2:55 p.m.

Associate Speaker Pro Tempore Julian declared the House adjourned until Tuesday, September 17, at 2:00 p.m.

GARY L. RANDALL Clerk of the House of Representatives.