

No. 61
JOURNAL OF THE SENATE

Senate Chamber, Lansing, Thursday, September 20, 2001.

10:00 a.m.

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

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

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

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

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

Senator Beverly S. Hammerstrom of the 17th District offered the following invocation:

This morning let's reflect upon the words in Psalm 145: "The Lord is close to all who call on him, yes to all who call on him sincerely. He fulfills the desires of those who fear him: he hears their cries for help and rescues them. The Lord protects all those who love him: but he destroys the wicked."

Today, let us call upon the Lord and draw close to him as we go about our daily activities. Lord, we know that our country and its people are suffering these days. Hear all of the cries for help; protect us from the wicked around us. Comfort us in these difficult days. Guide us, and provide us the strength and courage to carry on. You have promised us that good will conquer evil. We pray for You to guide our national leaders in the days ahead and that You will guide those here today on the Senate floor as we deliberate issues before us, and strive to achieve only that which is good. Amen.

Senators Emmons, Young, McCotter, Smith, Cherry and Hoffman entered the Senate Chamber.

Motions and Communications

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

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

Senator Emerson moved that Senators Hart and Vaughn be excused from today's session. The motion prevailed.

Senator Murphy entered the Senate Chamber.

By unanimous consent the Senate proceeded to the order of

Resolutions

Senators North, McCotter, Hammerstrom, Garcia and Goschka offered the following resolution:

Senate Resolution No. 103.

A resolution commemorating October 21-27, 2001, as School Bus Safety Week in Michigan.

Whereas, It is with great respect for the accomplishments of Michigan's school bus drivers, mechanics, supervisors, and all school transportation personnel that we commemorate October 21-27, 2001, as Michigan School Bus Safety Week. During this special observance, we encourage all Michigan citizens to recognize the dedication and skills of school transportation employees; and

Whereas, Each day, more than 875,000 students ride on 21,000 school buses, traveling over 433 million miles annually. Driving so many miles, coordinating the countless routes, and supervising the dozens of students on each vehicle requires an outstanding effort. Fortunately for the people of Michigan, there are thousands of exemplary professionals who have devoted their careers to transporting our children safely; and

Whereas, On behalf of our young people, it is a pleasure to commend the men and women who accept and meet the challenge of school transportation. The observance of Michigan School Bus Safety Week is a welcomed opportunity to thank these patient, skilled, and caring public servants. Those involved in this pursuit should be very proud of their contributions to education; and

Whereas, This special week serves as a fitting time to urge all Michigan drivers to become more aware of school bus safety regulations. Serious injuries and deaths occur when motorists fail to stop for school buses. Now that the school year has begun, we remind drivers to be cautious and attentive around school buses. It is also an appropriate time to ask students to listen to their bus drivers and pay close attention to bus safety rules; now, therefore, be it

Resolved by the Senate, That we proudly commemorate October 21-27, 2001, as Michigan School Bus Safety Week, and we commend everyone who contributes to the successful operation of our state's school buses. We also encourage all citizens to be alert and drive carefully near school buses. By working together, we can make this the safest school year ever; and be it further

Resolved, That a copy of this resolution be transmitted to the Michigan Association for Pupil Transportation as evidence of our esteem.

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

Senator Emmons moved that the rule be suspended.

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

Senators Stille and DeBeaussaert entered the Senate Chamber.

Recess

Senator Cherry moved that the Senate recess subject to the call of the President.
The motion prevailed, the time being 10:08 a.m.

10:12 a.m.

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

During the recess, Senators Bullard and DeGrow entered the Senate Chamber.

The question being on the adoption of the resolution,
The resolution was adopted.
Senators DeBeaussaert and Young were named co-sponsors of the resolution.

Senators Scott and Smith offered the following resolution:

Senate Resolution No. 104.

A resolution to memorialize the life of the Honorable Henry Raymond Kozak, January 1, 1917 - August 23, 2001.

Whereas, It is with deep sadness that we have learned of the passing of the Honorable Henry Raymond Kozak, former Michigan State Senator. We take this opportunity to honor his memory and express condolences to his family and friends. Henry Kozak was a true statesman who combined a friendly, easy-going manner with a knack for getting things done. He will be sincerely missed and long remembered; and

Whereas, Henry Raymond Kozak, a resident of the city of Hamtramck, was a dedicated public servant. He was elected as State Senator from the 3rd District on November 7, 1944, and November 5, 1947, on the Democratic ticket, and re-elected on November 2, 1948. Henry Kozak was an effective legislator who represented his constituents with distinction. He served on various Senate standing committees, namely, Banks and Corporations, Highways, Liquor Control, and Public Health and Social Aid. His leadership, concern, and contributions earned the respect of his colleagues on both sides of the aisle. In addition, Mr. Kozak held local public offices as a member of the Hamtramck Common Council, Detroit Board of Water Commissioners, and Wayne County Civil Service Commission, where he served from January 16, 1975, through February 27, 1987; and

Whereas, Henry Raymond Kozak was a man who touched and enriched countless lives through his political, business, civic, and community involvement. He was born in Detroit and educated at Our Lady of Apostles and St. Ladislaus grammar schools and graduated from Hamtramck High School. After attending Wayne State University, Henry Kozak became a real estate broker, chairman of the Democratic Party in the 1st Congressional District, worked with the late Detroit Mayor Coleman A. Young, and served on a casino study committee; and

Whereas, Among his accomplishments, Henry Kozak was founder of the Kozak Distributors, a beer and wine wholesaler, and owner of Burton Business Brokers and Kozak Realty. He was a member of the Michigan Beer and Wine Wholesalers Association, Polish Century Club, past president of the Polish-American Century Club in Hamtramck, member of the P.N.A., Z.N.P., and Fraternal Order of Eagles. Mr. Kozak enjoyed boating and was a thoroughbred horse owner and breeder; and

Whereas, Henry Raymond Kozak was a devoted and loving family man, married to Genevieve Traczuk for 61 years, father of three children, Judith Ann Ross, Robert Henry Kozak, and Marcella McGuigan, and grandfather to eight grandchildren. On August 23, 2001, Henry Raymond Kozak passed away at the age of 84. In paying homage to his life and memory, we also honor the people who were closest to him, including his wife, children, and grandchildren. We wish them comfort in their memory of him as a fine man, outstanding citizen, and public servant. May his family and friends know of our respect for all that he accomplished; and

Whereas, The life of Henry Raymond Kozak is a study in the power of hard work, dedication, and commitment to his career, his family, and his state. We are clearly grateful for his achievements which will continue to help Michigan in the future; now, therefore, be it

Resolved by the Senate, That we pause in our deliberations to offer these words of gratitude and respect as a memorial for the good life of the Honorable Henry Raymond Kozak. May his family accept this tribute as a symbol of our sincerest condolences and the high regard in which his memory is held by the people of the state of Michigan; and be it further

Resolved, That a copy of this resolution be transmitted to his wife, Mrs. Genevieve Kozak; his daughters, Judith Ann Ross and Marcella McGuigan; his son, Robert Henry Kozak; his eight grandchildren, and other family members as a reflection of our enduring esteem.

Pending the order that, under rule 3.204, the resolution be referred to the Committee on Government Operations,
Senator Emmons moved that the rule be suspended.

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

The resolution was adopted by a unanimous standing vote of the Senate.

Senator Emmons moved that rule 3.204 be suspended to name the entire membership of the Senate and the Lieutenant Governor as co-sponsors of the resolution.

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

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

The motion prevailed.

Senator Scott's statement is as follows:

Former Senator Henry Kozak lived in my district, he was my friend, and we served on the Civil Service Commission together back in the '80s. As most of you will recall when I passed my first bill in the Senate, I had some sarsaparilla on the Senators' desks that was from former Senator Kozak, who owned the Kozak Distributors in Hamtramck. He was a wonderful man in the community who was a pillar of strength for Hamtramck and for the Detroit area. So I would like for all of you who will to sign this resolution so that we can present this to his family for a man who really served well his community in a number of capacities.

By unanimous consent the Senate returned to the order of

Motions and Communications

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

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

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

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

By unanimous consent the Senate proceeded to the order of

Statements

Senators Schwarz, Cherry, DeGrow and Emmons asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Schwarz's first statement is as follows:

As most of you know, Kit Askin, who from 1989 until just last month was sergeant at arms and then chief sergeant at arms of the Michigan Senate, has decided that she's had enough of us—who can blame her? She is moving on to other pursuits in her life. I know that every member of the Senate who has been a member of the Senate in the time that Kit was with us and those who are members now join me in thanking Kit for being with us, for watching over us—God knows we need all the watching over that we can possibly get—for her good humor, for her tolerance of the nuance and idiosyncrasy and foible of every member of this body, and for just being an absolute, all-around good person. I know that Senator Cherry, Senator Emerson, Senator DeGrow, Senator Emmons, the Lieutenant Governor who served as Majority Leader during eight years of Kit's time here in the Senate, and all of you join me in wishing Kit the very best.

Senator Cherry's statement is as follows:

On behalf of my colleagues in the Democratic Caucus, we want to join Senator Schwarz, Senator DeGrow, and Senator Emmons in wishing Kit the best. She has done, I think, a remarkable job. She has brought a real sense of professionalism to this institution in the efforts that she made in working with the sergeants staff. I think that I have seen dramatic changes there and that was because, I think, Kit understood what that job was meant to do. And, I think, we will always have that gift from her.

It will not seem the same to walk into the chamber and not see Kit here, but I know that in spite of that, we all want to see the best for her. Sometimes when people make career changes, it doesn't say that they aren't happy about where they've been, but they always see brightness in where they're headed. We wish that for Kit and to say thank you, Kit, for the time, dedication, and the contributions you've made to this institution.

Senator DeGrow's statement is as follows:

I would reiterate everything that's already been said. And for those of you who have been here for a while and have seen the changes over the years in security and other things, Kit is the one who's responsible for those things. She's taken us through some changing times, and done it very well; so well, in fact, that most of you don't even know some of the changes that have taken place. It's a real credit to her when we can go through those changes and not disrupt the chamber.

The other thing is that Kit's always been very fair to everyone in this chamber, enforced the rules equally for everyone, and been there for us when we've had problems and had to deal with them. We will miss her, and those are big shoes she's left to fill. I have a present for her on behalf of all the Senators who have signed a seal of Michigan; this is our going away present to you. Thank you for everything you have done.

Senator Schwarz's second statement is as follows:

I would like to present, as well, a tribute from the Senate—from the leadership and from the members—which extolls all of Kit's very well-deserved virtues and join the Majority Leader and the Minority Leader in wishing her well and Godspeed.

Senator Emmons' statement is as follows:

She isn't going to get away without me saying something. This is a real loss, and we're really sorry. But I want to remind you all Kit's not dead; she's alive! She's going to do good things, just like she did very good things for us. The professionalism that she's brought to this chamber is just unmatched. You have set such a good foundation for anybody else who comes along. I'm just so really proud of you, Kit, and am so glad that I had a chance to know you—you're a gem.

The President of the Senate made a statement and requested that it be printed in the Journal.

The President's statement is as follows:

Kit, for 12 years, I know that you've served the Senate well. I was fortunate to be able to be with you eight years as the Majority Leader and the last two and a half as Lieutenant Governor. I think the events of the last week and a half have shown that security and decorum is an important part of our democracy, and you certainly have brought a professionalism here in the Senate. I thank you for that, and I wish you well in all you do.

Recess

Senator Emmons moved that the Senate recess subject to the call of the President.
The motion prevailed, the time being 10:29 a.m.

10:35 a.m.

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

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

The motion prevailed.

Senator McManus' statement is as follows:

With me today is a new intern in my office, a very important person to me. He's my oldest grandson. I've got 13 of them, but he is my oldest grandson, Joe Agostinelli.

Joe is a graduate of Traverse City High School and attended Arizona State University as a runner. He then transferred, of all places, to the University of Michigan. We have to overlook certain things. He has decided for some reason to get into the political science course at Michigan, and as such, will be spending a couple of days a week up here in Lansing working in the office for the next three months.

So I would like to have you welcome Joe Agostinelli.

By unanimous consent the Senate returned to the order of

Introduction and Referral of Bills

Senators North, McCotter, Hammerstrom, Garcia and Goschka introduced

Senate Joint Resolution S, entitled

A joint resolution proposing an amendment to the state constitution of 1963, by adding section 55 to article IV, to provide that members of the legislature who are convicted of a misdemeanor or felony reimburse this state for the portion of their salary that they receive while incarcerated.

The joint resolution was read a first and second time by title and referred to the Committee on Government Operations.

Senators North and Goschka introduced

Senate Bill No. 641, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," by amending sections 613 and 623 (MCL 380.613 and 380.623), section 623 as amended by 1995 PA 289.

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

Senators North and Goschka introduced

Senate Bill No. 642, entitled

A bill to amend 1976 PA 267, entitled "Open meetings act," by amending section 3 (MCL 15.263), as amended by 1988 PA 278.

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

Senators North, McCotter, Hammerstrom, McManus, Garcia and Goschka introduced

Senate Bill No. 643, entitled

A bill to amend 1988 PA 466, entitled "Animal industry act," by amending section 14 (MCL 287.714), as amended by 2000 PA 323.

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

Senators Steil, North, McManus and Koivisto introduced

Senate Bill No. 644, entitled

A bill to amend 1936 (Ex Sess) PA 1, entitled "Michigan employment security act," by amending sections 41 and 42 (MCL 421.41 and 421.42) and by adding section 13l.

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

Senators Garcia, Goschka, Gast, McManus, Steil, Shugars, Gougeon, Hart, Murphy, Koivisto and McCotter introduced

Senate Bill No. 645, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending sections 303, 310e, 319, and 732 (MCL 257.303, 257.310e, 257.319, and 257.732), sections 303, 319, and 732 as amended by 2001 PA 103 and section 310e as amended by 2000 PA 456.

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

Senators Garcia, Goschka, Gast, McManus, Steil, Shugars, Gougeon, Hart, Murphy, Koivisto and McCotter introduced

Senate Bill No. 646, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," by amending section 1311a (MCL 380.1311a), as amended by 2000 PA 230.

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

Senators Garcia, McManus, Goschka, Gast, Hammerstrom, Stille, Johnson, Steil, Shugars, Gougeon, North, Murphy, Hart, Koivisto, McCotter, Scott and Miller introduced

Senate Bill No. 647, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," (MCL 380.1 to 380.1852) by adding section 1319.

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

Senator Stille introduced

Senate Bill No. 648, entitled

A bill to amend 1937 PA 94, entitled "Use tax act," by amending section 21 (MCL 205.111), as amended by 1994 PA 34.

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

Senators Young, Cherry, Emerson, DeBeaussaert, Miller, Leland, Koivisto, Byrum, Scott, Dingell, Hart, Murphy and Smith introduced

Senate Bill No. 649, entitled

A bill to amend 1984 PA 431, entitled "The management and budget act," by amending section 353e (MCL 18.1353e), as amended by 1999 PA 8.

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

Senators Hart, Byrum and Smith introduced

Senate Bill No. 650, entitled

A bill to amend 1972 PA 230, entitled "Stille-DeRossett-Hale single state construction code act," (MCL 125.1501 to 125.1531) by adding section 13e.

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

Senator Dingell introduced

Senate Bill No. 651, entitled

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending section 2543 (MCL 600.2543), as amended by 1986 PA 308.

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

Senator Dingell introduced

Senate Bill No. 652, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 328 (MCL 257.328), as amended by 1995 PA 287, and by adding section 520a.

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

Senator Dingell introduced

Senate Bill No. 653, entitled

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," by amending section 3101a (MCL 500.3101a), as amended by 1996 PA 456.

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

Senator Dingell introduced

Senate Bill No. 654, entitled

A bill to amend 1933 PA 167, entitled "General sales tax act," (MCL 205.51 to 205.78) by adding section 4bb.

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

Senator Dingell introduced

Senate Bill No. 655, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 40114 (MCL 324.40114), as added by 1995 PA 57.

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

Senators Hart, Koivisto and Scott introduced

Senate Bill No. 656, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending sections 12521 and 12530 (MCL 333.12521 and 333.12530) and by adding section 12526a.

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

Senator Stille introduced

Senate Bill No. 657, entitled

A bill to amend 1970 PA 91, entitled "Child custody act of 1970," by amending sections 2, 6a, and 7 (MCL 722.22, 722.26a, and 722.27), section 2 as amended by 1999 PA 156, section 6a as added by 1980 PA 434, and section 7 as amended by 2001 PA 108.

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

Senator Stille introduced

Senate Bill No. 658, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," (MCL 206.1 to 206.532) by adding section 267. The bill was read a first and second time by title and referred to the Committee on Finance.

Senators Shugars, Garcia and McManus introduced

Senate Bill No. 659, entitled

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

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

Senators Johnson, Shugars, Hammerstrom, McManus and Goschka introduced

Senate Bill No. 660, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending sections 16204a, 16204b, 16204c, and 16204d (MCL 333.16204a, 333.16204b, 333.16204c, and 333.16204d), section 16204a as amended by 1998 PA 421, section 16204b as added by 1998 PA 422, and sections 16204c and 16204d as added by 1998 PA 423.

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

Senators Goschka, Shugars, Hammerstrom, McManus and Johnson introduced

Senate Bill No. 661, entitled

A bill to amend 1980 PA 350, entitled "The nonprofit health care corporation reform act," by amending section 402a (MCL 550.1402a), as amended by 1998 PA 426.

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

Senators Shugars, Hammerstrom, McManus, Johnson and Goschka introduced

Senate Bill No. 662, entitled

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," by amending section 2212a (MCL 500.2212a), as amended by 1998 PA 424.

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

Senators Shugars, Hammerstrom, McManus and Goschka introduced

Senate Bill No. 663, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 5653 (MCL 333.5653), as amended by 2000 PA 58.

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

Senators Hammerstrom, Goschka and McManus introduced

Senate Bill No. 664, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 20201 (MCL 333.20201), as amended by 1998 PA 88.

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

By unanimous consent the Senate returned to the order of

Motions and Communications

The following communication was received and read:

Office of the Senate Majority Leader

September 19, 2001

Pursuant to Senate Rule 1.105, I hereby appoint the following members to the conference committee on House Bill 4371:

Stille

DeGrow

DeBeaussaert

Sincerely,
Dan L. DeGrow
Senate Majority Leader

The communication was referred to the Secretary for the record.

Senator Emerson moved that the Committee on Natural Resources and Environmental Affairs be discharged from further consideration of the following bill:

Senate Bill No. 9, entitled

A bill to amend 1994 PA 451, entitled “Natural resources and environmental protection act,” by amending sections 502, 32503, and 33938 (MCL 324.502, 324.32503, and 324.33938), section 502 as amended by 1998 PA 114 and sections 32503 and 33938 as added by 1995 PA 59, and by adding section 61505a.

The question being on the motion to discharge,

Senator DeGrow moved that further consideration of the motion be postponed until Wednesday, January 30, 2002.

The motion prevailed.

Point of Order

Senator Cherry raised the Point of Order that pursuant to Mason’s Manual, section 491(3), regarding the withdrawal of bills from committee, “the motion, in either form, takes precedence as a main motion. It is not subject to the motions to postpone, to refer to committee, to lay on the table or to amendment.”

The President pro tempore, Senator Schwarz, ruled that the motion to postpone discharging the Natural Resources and Environmental Affairs Committee of Senate Bill No. 9 was in order.

Senator Peters requested the yeas and nays on the motion to postpone the discharge motion until Wednesday, January 30, 2002.

Point of Order

Senator DeGrow raised the Point of Order that the request for the yeas and nays was untimely because there had been intervening business.

The President pro tempore, Senator Schwarz, ruled that the previous point of order was not intervening business, and the request for the yeas and nays was in order.

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

The motion prevailed, a majority of the members voting therefor, as follows:

Roll Call No. 305

Yeas—22

Bennett	Gast	McCotter	Shugars
Bullard	Goschka	McManus	Sikkema
DeGrow	Gougeon	North	Steil
Dunaskiss	Hammerstrom	Schuette	Stille
Emmons	Hoffman	Schwarz	Van Regenmorter
Garcia	Johnson		

Nays—13

Byrum	Emerson	Miller	Scott
Cherry	Koivisto	Murphy	Smith
DeBeaussaert	Leland	Peters	Young
Dingell			

Excused—2

Hart	Vaughn
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Not Voting—0

In The Chair: Schwarz

Senator Cherry appealed the decision of the Chair on the motion to postpone the discharge motion until Wednesday, January 30, 2002.

The question being shall the decision of the Chair stand as the judgment of the Senate,

The decision of the Chair stood as the judgment of the Senate, a majority of the members voting therefor.

Protests

Senators Cherry and Smith, under their constitutional right of protest (Art. 4, Sec. 18), protested against postponement of the motion to discharge the Committee on Natural Resources and Environmental Affairs from further consideration of Senate Bill No. 9 and moved that the statements they made during the discussion of the decision of the Chair be printed as their reasons for voting "no."

The motion prevailed.

Senator Cherry's statement is as follows:

It seems to me that when a body inadvertently violates procedure, it establishes the precedent that somehow then allows the body to always violate the procedure is an inappropriate argument. Clearly, if the body wishes to ignore its rules, or in fact Mason's when it governs a situation, the appropriate way to deal with that is not to appeal to precedent but to suspend the rules. It's like arguing that if you violate the law and no one arrests you, then you somehow invalidate the law. That's a crazy notion. I would suggest that if the body does not want to abide by Mason's, it ought to suspend the rules.

Senator Smith's statement is as follows:

The Majority Leader is absolutely right, we have done this before. But just because we've done it, doesn't make it right. In order to do it before, it was decided that the rules of the Senate did not speak to the issue and the rules of Mason's did. Because we did not like Mason's rules, we suspended the rules, and indeed, defeated the discharge motion and postponed the motion to discharge. We can do it because you've got the votes, but that doesn't make it right. You'll do it again because today the precedent has been set to do it outside of the rules of this legislative body.

Recess

Senator Emmons moved that the Senate recess until 12:00 noon.

The motion prevailed, the time being 11:23 a.m.

The Senate reconvened at the expiration of the recess and was called to order by the President pro tempore, Senator Schwarz.

Messages from the Governor

The following message from the Governor was received and read:

APPROPRIATIONS; DEPARTMENT OF TRANSPORTATION

July 23, 2001

Today I have signed Enrolled Senate Bill 239, the Fiscal Year 2002 appropriations bill for the Department of Transportation. However, I am returning it to you because of items of which I disapprove pursuant to Article V, Section 19, of the Michigan Constitution. Regrettably, this bill was passed at a level significantly over the agreed upon spending level. The specific vetoes are contained in the attached copy of this bill, which has been filed with the Secretary of State.

This bill will provide landmark support for the rebuilding, repair and maintenance of Michigan's roads and bridges. Thanks to *Build Michigan II and III*, Michigan will again invest over \$3.1 billion for record improvements on the state trunkline system, local road and bridge projects, and intermodal transportation services. My action today:

- Provides for over \$27 million in additional *Build Michigan II* revenues that will continue to be shared with locals under the historical distribution formula. In addition, \$59 million in new federal revenues will also be available in Fiscal Year 2002 for debt service, planning, research, road and bridge repair, and reconstruction projects.
- Adds \$42 million in *Build Michigan III* debt service support for key capacity improvement, economic development, and passing relief lane projects. Several *Build Michigan III* projects have already commenced under the Department's aggressive planning and construction schedules.

- Supports nearly \$10 million in additional public transportation investments, including over \$7.8 million added for local bus operating assistance. Additional state and federal program support is also provided for intercity bus programs, terminal development, high-speed rail, specialized services, and the work first program.
- Reduces administrative spending by over \$3.4 million to minimize the effects of declining revenues on the state road and bridge construction program. This is in addition to the \$3.7 million in administrative savings realized in Fiscal Year 2001.

Finally, I have vetoed the following nine boilerplate sections for the reasons noted below:

- Section 340 — My action includes the veto of language in section 340 relating to the establishment of a critical bridge match program. The appropriation of \$3 million general fund/general purpose for this program violates the terms of the leadership target agreement. Furthermore, while I encourage local investment in these types of infrastructure projects, I cannot support such special interest eligibility criteria.
- Section 405 — Language in section 405 relating to the \$24 million earmark of federal aid bridge funds to local off-system and local on-system categories. I have vetoed similar earmarks in Fiscal Years 2000 and 2001, and my position on this issue remains unchanged. I believe Michigan must expend its federal aid bridge funds where they will have the most impact for motorists — on the high-level state trunkline system.
- Section 605 — This language and related \$1 million appropriation for a new university road match program runs counter to the provisions authorizing expenditure of state trunkline funds in Public Act 51. In addition, campus roads are already supported as part of university operations in the higher education budget, and may qualify for funding under the institutional and agency road program in the capital outlay budget. I see no need to divert resources away from critical state trunkline needs for this purpose.
- Sections 606, 607, 609, 613 and 712 — The inclusion of these types of special interest projects for interchanges, pedestrian crossings, log truck studies, and the rehabilitation of a rail bridge undermines the appropriations process and the Department's five-year plan. I believe such programming decisions should be left to the transportation experts.
- Section 803 — My action also includes the veto of section 803. I cannot support the creation of this position when the state aeronautics fund has experienced such significant declines in available revenues.

It would have been my intention to veto section 404. However, this language is an expression of legislative intent, and, as such is not a condition of appropriation. I have directed the Department to proceed with the implementation of this TEA-21 high priority project in the manner and location they believe best meets the transportation needs of the area.

Finally, I want to express that I do not support the shifting of the Transportation Economic Development Fund (TEDF) portion of Build Michigan III debt service to 100 percent Category A. The Department has been directed that they are to implement program allocations in the TEDF consistent with existing statutory provisions.

I thank the Legislature for supporting this important budget bill, and look forward to working with you as we continue to aggressively improve Michigan's transportation systems.

Sincerely,
John Engler
Governor

This bill was signed by the Governor on July 23, 2001, at 1:30 p.m. (Filed with the Secretary of State on July 24, 2001, at 10:10 a.m.) and assigned Public Act No. 59.

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

Senator Emmons moved that the veto message be referred to the Committee on Appropriations.

The motion prevailed.

The following message from the Governor was received and read:

APPROPRIATIONS; SUPPLEMENTAL

July 25, 2001

Today I have signed Enrolled Senate Bill 283. 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.

This supplemental budget bill provides \$58.3 million (negative \$1.7 million general fund) in positive and negative appropriations as well as budgetary savings intended to assist in reducing the budget deficit for this fiscal year.

Key provisions of the bill include the following:

Positive Appropriations

- DNR Capital Outlay Projects: \$16.5 million is appropriated for Natural Resources Trust Fund projects; and \$5.0 million is appropriated for renovations to two fish hatcheries.
- Child Support Penalty: \$35.5 million GF/GP is appropriated for the Family Independence Agency to replace federal funds lost in child support penalties.

- Snowmobile Local Grants: \$1.7 million in fee revenues is appropriated for the Department of Natural Resources for snowmobile local grant programs.
- Clean Michigan Initiative: \$12.2 million is appropriated for the Department of Natural Resources in Clean Michigan Initiative bond funds for recreation grants to local units of government.
- Disaster Assistance: \$21.3 million is appropriated for the Department of State Police for disaster assistance grants.
- Concealed Weapons: \$2.1 million in fee revenues is appropriated for the Department of State Police for the implementation of the concealed weapons law.
- Transportation Funding: \$56.9 million for the Department of Transportation for various projects, including funding for the Soo Locks Project and increased funding for local bus operating expenses.

Negative Appropriations

- Almost \$24.4 million GF/GP in budgetary savings has been reduced from various state agencies.
- In addition, State Building Authority rent payments were reduced by \$22.3 million based on updated expenditure estimates and the Day Care Services line item was reduced by \$30.0 million to reflect reduced day care caseload estimates.
- This supplemental bill also authorizes funding shifts for three major construction projects from the general fund to the State Building Authority. The total general fund reduction for these three projects (Hall of Justice, Ypsilanti Forensic Center and State Police Public Safety Communication System) is \$211.1 million; and the general fund savings are part of the overall strategy to balance the state books for the current year.

My action today includes one veto. I have vetoed the planning authorization for the University of Michigan at Ann Arbor–School of Public Health building. The estimated cost of this project is \$43.0 million. This item is not consistent with the leadership target agreement and, if funded, would reduce available bond capacity to below \$100.0 million.

I thank the Legislature for their work on these supplemental appropriations and for their cooperation in resolving the current year budgetary problems caused by a slowdown in the national economy.

Sincerely,
John Engler
Governor

This bill was signed by the Governor on July 25, 2001, at 9:40 a.m. (Filed with the Secretary of State on July 25, 2001, at 4:22 p.m.) and assigned Public Act No. 81.

The question being on the passage of the vetoed line item, the objections of the Governor to the contrary notwithstanding,

Senator Emmons moved that the veto message be referred to the Committee on Appropriations.

The motion prevailed.

The following message from the Governor was received and read:

APPROPRIATIONS; FAMILY INDEPENDENCE AGENCY

July 25, 2001

Today I have signed Enrolled Senate Bill 235, the Fiscal Year 2002 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 69,820 in June, more than a 69 percent reduction from the March 1994 level, the month the caseload began its multi-year decline. Moreover, in the last 87 months the state's FIP caseload has gone up just 9 times. 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 2002, funding for the day care program exceeds funding for the FIP program by more than 31 percent.

I also commend you for joining me in providing the funding needed to complete the Child Support Enforcement System. Funding is included in this budget to implement an aggressive strategy to meet federal requirements and avoid future penalties. More importantly, the completed system will be integral in insuring that children receive the child support payments that they deserve.

I am pleased with the support that you provided for core FIA programs. Thanks to your support of my \$21.4 million Adoption Subsidy increase, more than 21,000 children will be provided permanent adoptive homes. Because of a \$33.9 million Child Care Fund increase which you supported, counties will be fully funded in their efforts to serve troubled and neglected children locally. Also, as a result of your efforts, foster parents and parents receiving adoption subsidies will again receive a rate increase.

I am also pleased that you responsibly met targeted funding levels without significantly harming key FIA programs and initiatives. The necessary reductions that you adopted should have little impact on the Department's focus of meeting the needs of families and moving them toward self-sufficiency. In fact, the new fatherhood, marriage, and innovation grants initiatives that you approved in the budget should be helpful in achieving these core goals.

In two areas, however, this bill deviates unacceptably from my budget recommendations. My action today vetoes:

- Section 628, which sets aside up to \$100,000 to finance another “Ready to Succeed Dialogue” meeting and associated activities. Fiscal Year 2002 would be the fourth year of state funding for this initiative. It is now time to implement the results of prior discussions and rely on other funding sources for future meetings and organizational efforts.
- Section 629, which requires the Department to spend up to \$100,000 in federal Temporary Assistance for Needy Families (TANF) funding on a career training contract with multicultural organizations. Funding for services of this nature is more appropriate in the Department of Career Development budget.

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

Sincerely,
John Engler
Governor

This bill was signed by the Governor on July 25, 2001, at 9:55 a.m. (Filed with the Secretary of State on July 25, 2001, at 4:24 p.m.) and assigned Public Act No. 82.

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

Senator Emmons moved that the veto message be referred to the Committee on Appropriations.

The motion prevailed.

Conference Reports

Senator Bennett submitted the following:

SECOND CONFERENCE REPORT

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

Senate Bill No. 233, 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, 2002; 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.

Recommends:

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

A bill to make appropriations for the department of consumer and industry services and certain other state purposes for the fiscal year ending September 30, 2002; to provide for the expenditure of those appropriations; to provide for the imposition of certain fees; to provide for the disposition of fees and other income received by the state agencies; to provide for reports to certain persons; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. The amounts listed in this part are appropriated for the department of consumer and industry services, subject to the conditions set forth in this act, for the fiscal year ending September 30, 2002, from the funds identified in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES

APPROPRIATION SUMMARY:

Full-time equated unclassified positions	64.5	
Full-time equated classified positions	4,178.4	
GROSS APPROPRIATION	\$	569,869,500
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		111,800
ADJUSTED GROSS APPROPRIATION	\$	569,757,700
Federal revenues:		
Total federal revenues		239,954,500
Special revenue funds:		
Total local revenues		0

	For Fiscal Year Ending Sept. 30, 2002
Total private revenues	\$ 740,000
Total other state restricted revenues	286,291,400
State general fund/general purpose	\$ 42,771,800
Sec. 102. EXECUTIVE DIRECTION	
Full-time equated unclassified positions	64.5
Full-time equated classified positions	97.0
Unclassified salaries	\$ 5,621,300
Executive director programs—12.0 FTE positions	1,857,100
Policy development—13.0 FTE positions	1,661,400
Utility consumer representation	550,000
Regulatory efficiency improvements/backlog reduction initiative	750,000
MES board of review program—21.0 FTE positions	1,740,800
Bureau of hearings—41.0 FTE positions	4,226,400
Energy office—10.0 FTE positions	2,609,500
GROSS APPROPRIATION	\$ 19,016,500
Appropriated from:	
Federal revenues:	
DOE-OEERE, multiple grants	2,165,700
DOL-ETA, unemployment insurance	2,154,800
DOL, multiple grants for safety and health	158,400
Special revenue funds:	
Bank fees	156,000
Boiler fees	31,300
Construction code fund	358,200
Consumer finance fees	59,400
Corporation fees	2,126,900
Credit union fees	117,700
Elevator fees	36,900
Fees and collections/asbestos	12,000
Health professions regulatory fund	1,299,900
Health systems fees and collections	75,700
Insurance regulatory fees	586,300
Licensing and regulation fees	602,600
Liquor license fees	100,000
Liquor purchase revolving fund	1,476,100
Manufactured housing commission fees	141,300
Michigan state housing development authority fees and charges	411,800
Motor carrier fees	35,200
Public utility assessments	2,017,600
Safety education and training fund	242,300
Second injury fund	81,400
Securities fees	1,751,100
Self-insurers security fund	21,500
Silicosis and dust disease fund	31,000
Tax tribunal fees	1,100
Utility consumer representation fund	550,000
Worker's compensation administrative revolving fund	90,000
State general fund/general purpose	\$ 2,124,300
Sec. 103. FIRE SAFETY	
Full-time equated classified positions	57.0
Office of fire safety—57.0 FTE positions	\$ 4,474,800
GROSS APPROPRIATION	\$ 4,474,800
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of community health, inspection contract	111,800
Federal revenues:	
Federal funds	828,500

	For Fiscal Year Ending Sept. 30, 2002
Special revenue funds:	
Fire alarm regulation fees	\$ 89,300
Fire services fees	1,846,700
State general fund/general purpose	\$ 1,598,500
Sec. 104. MANAGEMENT SERVICES	
Full-time equated classified positions	187.0
Administrative services—84.0 FTE positions	\$ 5,896,800
Technology support—103.0 FTE positions	13,592,400
Health services information systems	750,000
Office of financial and insurance service automation	750,000
Rent	7,554,300
Building occupancy charges - property development services	7,731,600
Worker's compensation	952,800
Special project advances	740,000
GROSS APPROPRIATION	\$ 37,967,900
Appropriated from:	
Federal revenues:	
DOL-ETA, unemployment insurance	345,300
DOL, multiple grants for safety and health	491,700
Federal funds	394,000
HHS, federal funds	66,000
Special revenue funds:	
Private - special project advances	740,000
Bank fees	468,100
Boiler fee revenue	286,000
Construction code fund	1,439,600
Consumer finance fees	190,300
Corporation fees	3,323,500
Credit union fees	340,800
Elevator fees	317,600
Fees and collections/asbestos	87,400
Health professions regulatory fund	2,833,900
Health systems fees and collections	612,300
Insurance regulatory fees	1,848,200
Licensing and regulation fees	1,963,000
Liquor purchase revolving fund	8,648,100
Manufactured housing commission fees	303,100
Michigan state housing development authority fees and charges	3,141,400
Motor carrier fees	287,000
Public utility assessments	2,580,300
Safety education and training fund	770,900
Second injury fund	526,600
Securities fees	1,817,600
Self-insurers security fund	139,100
Silicosis and dust disease fund	203,500
Tax tribunal fees	67,200
Worker's compensation administrative revolving fund	1,384,300
State general fund/general purpose	\$ 2,351,100
Sec. 105. OFFICE OF FINANCIAL AND INSURANCE SERVICES	
Full-time equated classified positions	286.0
Administration—27.0 FTE positions	\$ 3,008,600
Policy and consumer services—29.0 FTE positions	2,291,300
Securities regulation—20.0 FTE positions	2,304,400
Bank regulation—49.0 FTE positions	5,475,200
Credit union regulation—43.0 FTE positions	3,802,400
Consumer finance regulation—21.0 FTE positions	1,953,500

	For Fiscal Year Ending Sept. 30, 2002
Insurance financial evaluation—46.0 FTE positions	\$ 5,144,400
Insurance licensing and enforcement—36.0 FTE positions	3,549,000
Health plans—15.0 FTE positions	1,348,900
GROSS APPROPRIATION	\$ 28,877,700
Appropriated from:	
Federal revenues:	
Federal funds	50,600
Special revenue funds:	
Bank fees	6,297,300
Consumer finance fees	2,282,500
Credit union fees	4,504,900
Insurance continuing education fees	543,300
Insurance licensing and regulation fees	2,690,800
Insurance regulatory fees	9,682,300
Multiple employer welfare arrangement	66,000
Securities fees	2,760,000
State general fund/general purpose	\$ 0
Sec. 106. PUBLIC SERVICE COMMISSION	
Full-time equated classified positions143.0	
Administration, planning and regulation—143.0 FTE positions	\$ 15,824,300
Low-income/energy efficiency assistance	60,000,000
GROSS APPROPRIATION	\$ 75,824,300
Appropriated from:	
Federal revenues:	
DOE-OEERE, multiple grants	149,800
DOT-RSPA, gas pipeline safety	281,500
Special revenue funds:	
Motor carrier fees	1,898,800
Public utility assessments	13,494,200
Low-income and energy efficiency fund	60,000,000
State general fund/general purpose	\$ 0
Sec. 107. LIQUOR CONTROL COMMISSION	
Full-time equated classified positions179.0	
Management support services—39.0 FTE positions	\$ 2,927,700
Liquor licensing and enforcement—140.0 FTE positions	10,947,600
Liquor law enforcement grants	6,000,000
Grant to department of agriculture, wine industry council	457,200
GROSS APPROPRIATION	\$ 20,332,500
Appropriated from:	
Special revenue funds:	
Liquor license revenue	11,068,600
Liquor purchase revolving fund	8,806,700
Nonretail liquor license revenue	457,200
State general fund/general purpose	\$ 0
Sec. 108. MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY	
Full-time equated classified positions234.0	
Payments on behalf of tenants	\$ 72,000,000
Housing and rental assistance program—227.0 FTE positions	23,224,500
Automatic data processing—7.0 FTE positions	1,006,900
Homeless program	5,290,800
GROSS APPROPRIATION	\$ 101,522,200
Appropriated from:	
Federal revenues:	
HUD, lower income housing assistance program	86,495,400
Special revenue funds:	
Michigan state housing development authority fees and charges	15,026,800
State general fund/general purpose	\$ 0

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2002

Sec. 109. TAX TRIBUNAL

Full-time equated classified positions	14.0	
Operations—14.0 FTE positions		\$ 1,479,600
GROSS APPROPRIATION		\$ 1,479,600

Appropriated from:

Special revenue funds:

Tax tribunal fees		635,500
State general fund/general purpose		\$ 844,100

Sec. 110. GRANTS

Fire protection grants		\$ 9,421,000
GROSS APPROPRIATION		\$ 9,421,000

Appropriated from:

Special revenue funds:

Liquor purchase revolving fund		9,421,000
State general fund/general purpose		\$ 0

Sec. 111. HEALTH REGULATORY SYSTEMS

Full-time equated classified positions	344.0	
Health systems administration—181.0 FTE positions		\$ 17,175,100
Nursing home quality incentives grants—3.0 FTE positions		10,050,500
Emergency medical services program state staff—7.0 FTE positions		900,100
Radiological health administration and projects—24.0 FTE positions		1,997,700
Substance abuse program administration—4.0 FTE positions		412,100
Emergency medical services grants and contracts		1,062,100
Health services—125.0 FTE positions		13,300,500
GROSS APPROPRIATION		\$ 44,898,100

Appropriated from:

Federal revenues:

Federal funds		18,404,700
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Special revenue funds:

Controlled substance license fees		1,353,000
Health professions regulatory fund		10,624,100
Health systems fees and collections		3,782,100
Nurse professional fund		452,000
State general fund/general purpose		\$ 10,282,200

Sec. 112. REGULATORY SERVICES

Full-time equated classified positions	313.0	
AFC, children's welfare and day care licensure—313.0 FTE positions		\$ 26,254,900
GROSS APPROPRIATION		\$ 26,254,900

Appropriated from:

Federal revenues:

HHS, federal funds		10,762,500
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Special revenue funds:

Health systems fees and collections		156,800
Licensing fees		495,500
State general fund/general purpose		\$ 14,840,100

Sec. 113. OCCUPATIONAL REGULATION

Full-time equated classified positions	332.0	
Commissions and boards		\$ 49,700
Code enforcement—99.0 FTE positions		7,921,200
Code enforcement flexibility		1,181,200
Boiler inspection program—18.0 FTE positions		1,555,700
Elevator inspection program—23.0 FTE positions		1,870,800
Commercial services—154.0 FTE positions		13,668,900
Local manufactured housing communities inspections		250,000
Manufactured housing and land resources program—26.0 FTE positions		2,610,300
Property development group—12.0 FTE positions		1,328,300
Remonumentation grants		6,000,000
GROSS APPROPRIATION		\$ 36,436,100

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Appropriated from:	
Special revenue funds:	
Boiler fee revenue.....	\$ 1,703,300
Construction code fund.....	9,488,200
Corporation fees	4,889,100
Elevator fees	1,979,300
Homeowner construction lien recovery fund.....	1,532,800
Licensing and regulation fees.....	7,341,700
Limited liability partnership revenue	10,000
Manufactured housing commission fees.....	2,258,100
Property development fees	239,500
Remonumentation fees.....	6,600,500
Real estate appraiser continuing education fund	45,000
Real estate education fund	217,500
State general fund/general purpose	\$ 131,100
Sec. 114. EMPLOYMENT RELATIONS	
Full-time equated classified positions	28.0
Fact finding and arbitration.....	\$ 144,300
Employment and labor relations—28.0 FTE positions	2,956,400
GROSS APPROPRIATION	\$ 3,100,700
Appropriated from:	
Federal revenues:	
EEOC, federal funds	10,000
State general fund/general purpose	\$ 3,090,700
Sec. 115. SAFETY AND REGULATION	
Full-time equated classified positions	281.0
Commissions and boards.....	\$ 21,400
Employment standards enforcement—39.0 FTE positions	2,621,900
Subgrantees.....	1,226,900
Occupational safety and health—242.0 FTE positions	21,289,500
GROSS APPROPRIATION	\$ 25,159,700
Appropriated from:	
Federal revenues:	
DOL, multiple grants for safety and health.....	10,946,000
Special revenue funds:	
Fees and collections/asbestos	694,200
Safety education and training fund	6,009,800
State general fund/general purpose	\$ 7,509,700
Sec. 116. WORKER'S DISABILITY COMPENSATION	
Full-time equated classified positions	171.4
Administration—119.0 FTE positions.....	\$ 8,567,300
Board of magistrates administration—8.0 FTE positions	1,864,700
Appellate commission administration—11.4 FTE positions	874,000
Supplemental benefit fund	1,300,000
Insurance funds administration—33.0 FTE positions	5,064,000
Automatic data processing	506,000
Grant to the department of career development - hire the handicapped program.....	50,000
GROSS APPROPRIATION	\$ 18,226,000
Appropriated from:	
Special revenue funds:	
Corporation fees	5,139,400
Second injury fund.....	3,341,800
Securities fees.....	5,317,900
Self-insurers security fund	911,400
Silicosis and dust disease fund.....	1,366,800
Worker's compensation administrative revolving fund	2,148,700
State general fund/general purpose	\$ 0

For Fiscal Year
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2002

Sec. 117. UNEMPLOYMENT AGENCY

Full-time equated classified positions	1,512.0	
Worker's compensation	\$	706,200
Rent		6,127,100
Building occupancy charges - property development service		3,640,000
Unemployment programs—1,434.7 FTE positions		97,306,000
Advocacy assistance program—8.0 FTE positions		1,550,200
Special audit and collections program—34.0 FTE positions		2,225,600
Training program for agency staff—2.1 FTE positions		2,784,800
Expanded fraud control program—33.2 FTE positions		2,537,600
GROSS APPROPRIATION	\$	116,877,500
Appropriated from:		
Federal revenues:		
DOL, employment and training administration		532,500
DOL, unemployment insurance		101,457,300
Federal Reed act funds		4,259,800
Special revenue funds:		
Contingent fund, penalty and interest account		10,627,900
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 2001-2002 is \$329,063,200.00 and state spending from state resources to be paid to local units of government for fiscal year 2001-2002 is \$21,921,000.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES

Fire protection grants	\$	9,421,000
Liquor law enforcement		6,000,000
Local manufactured housing inspections		250,000
Remonumentation grants		6,000,000
Subgrantees		250,000
Total department of consumer and industry services	\$	21,921,000

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 appropriation act:

- (a) "AFC" means adult foster care.
- (b) "Department" means the department of consumer and industry services.
- (c) "DOE" means the United States department of energy.
- (d) "DOE-OEERE" means the DOE office of energy efficiency and renewable energy.
- (e) "DOL" means the United States department of labor.
- (f) "DOL-ETA" means the DOL employment and training administration.
- (g) "DOL-OSHA" means the DOL occupational safety and health administration.
- (h) "DOT" means the United States department of transportation.
- (i) "DOT-RSPA" means the DOT research and special programs administration.
- (j) "EEOC" means equal employment opportunity commission.
- (k) "Fiscal agencies" means Michigan house fiscal agency and Michigan senate fiscal agency.
- (l) "FTE" means full-time equated.
- (m) "HHS" means the United States department of health and human services.
- (n) "HUD" means the United States department of housing and urban development.
- (o) "IDG" means interdepartmental grant.
- (p) "MES" means Michigan employment security.
- (q) "OSHA" means the DOL occupational safety and health administration.
- (r) "Subcommittees" means all members of the appropriate subcommittees of the house and senate appropriations committees.

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, cause a loss of revenue to the state, result in the inability of the state to receive federal funds, or would necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report 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 \$23,500,000.00 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 \$12,200,000.00 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 \$180,800.00 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 \$50,000.00 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 60 days before beginning any effort to privatize, the department shall submit a complete project plan to the subcommittees and the 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 fiscal agencies and to the subcommittees within 30 months.

Sec. 208. Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this act. This may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on the Internet or Intranet site. Quarterly, the department shall provide to the subcommittees, state budget office, and the 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.

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. Of the funds appropriated in part 1 that are in units other than the grants unit, the department shall not provide grants to local government agencies, institutions of higher education, or nonprofit organizations unless the department provides notice of the grant to the subcommittees at least 10 days before the grant is issued or at least 72 hours before any announcement to local governmental units or the public.

Sec. 212. The department shall establish and maintain affirmative action programs based on guidelines developed by the state equal opportunity workforce planning council which was created by Executive Order No. 1996-13 in order to receive general fund/general purpose dollars.

Sec. 213. 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.

DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES

Sec. 301. The appropriation in part 1 for fire protection grants from the liquor purchase revolving fund shall be appropriated to cities, villages, and townships with state-owned facilities for fire services, instead of taxes, in accordance with 1977 PA 289, MCL 141.951 to 141.956.

Sec. 302. The funds collected by the office of financial and insurance services in connection with a conservatorship pursuant to section 32 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1682, shall be appropriated for all expenses necessary to provide for the required services. Funds are available for expenditure when they are received by the department of treasury and shall not lapse to the general fund at the end of the fiscal year.

Sec. 303. The funds collected by the department from corporations being liquidated pursuant to the insurance code of 1956, 1956 PA 218, MCL 500.100 to 500.8302, shall be appropriated for all expenses necessary to provide for the required services. Funds are available for expenditure when they are received by the department of treasury and shall not lapse to the general fund at the end of the fiscal year.

Sec. 304. The department may make available to interested entities otherwise unavailable customized listings of nonconfidential information in its possession, such as names and addresses of licensees, and charge for this information as follows: base fee for 1 to 1,000 records at the cost to the department; 1,001 to 10,000 records at 2.5 cents per record; and 10,001 or more records at .5 cents per record. The revenue received from this service may be used to offset expenses of programs as appropriated in part 1. The balance of this revenue collected and unexpended at the end of the fiscal year shall revert to the appropriate restricted revenue account or fund or, in absence of such an account or fund, to the general fund. The department shall submit an annual report on or before June 1, 2002 to the state budget office and the subcommittees that states the amount of revenue received from the sale of information.

Sec. 305. The appropriation in part 1 may be used for per diem payments to the members of commissions or boards for a full day of committee work at which a quorum is present or for performing official business as authorized by each respective commission or board. The per diem payments shall be at a rate as follows:

(a) Michigan board of chiropractic medicine	\$50.00 per day
(b) Michigan board of dentistry	\$50.00 per day
(c) Michigan board of medicine	\$50.00 per day
(d) Board of nursing	\$50.00 per day
(e) Michigan board of optometry	\$50.00 per day
(f) Michigan board of osteopathic medicine and surgery	\$50.00 per day
(g) Michigan board of pharmacy	\$50.00 per day
(h) Michigan board of podiatric medicine and surgery	\$50.00 per day
(i) Michigan board of psychology	\$50.00 per day
(j) Michigan board of physical therapy	\$50.00 per day
(k) Physicians' assistants task force	\$50.00 per day
(l) Michigan board of veterinary medicine	\$50.00 per day
(m) Michigan board of occupational therapists	\$50.00 per day
(n) Michigan board of professional counselors	\$50.00 per day
(o) Health occupations council	\$50.00 per day
(p) Board of accountancy	\$50.00 per day
(q) Board of architects	\$50.00 per day
(r) Athletic board of control	\$50.00 per day
(s) Board of barber examiners	\$50.00 per day
(t) Residential builders' and maintenance and alteration contractor's board	\$50.00 per day
(u) Carnival-amusement safety board	\$50.00 per day
(v) Collection practices board	\$50.00 per day
(w) Board of cosmetology	\$50.00 per day
(x) Employment agency board	\$50.00 per day
(y) Board of professional engineers	\$50.00 per day
(z) Board of land surveyors	\$50.00 per day
(aa) Board of landscape architects	\$50.00 per day
(bb) Board of marriage counselors	\$50.00 per day
(cc) Board of examiners in mortuary science	\$50.00 per day
(dd) Nursing home administrators' board	\$50.00 per day
(ee) Board of real estate brokers and salespersons	\$50.00 per day
(ff) Ski area safety board	\$50.00 per day
(gg) Michigan board of social work	\$50.00 per day
(hh) Commission on professional and occupational licensure	\$50.00 per day
(ii) Board of real estate appraisers	\$50.00 per day
(jj) Utility consumer participation board	\$50.00 per day
(kk) Construction code commission	\$50.00 per day
(ll) Plumbing board	\$50.00 per day
(mm) Electrical board	\$50.00 per day
(nn) Barrier free design board	\$50.00 per day
(oo) Mechanical board	\$50.00 per day
(pp) Boiler board	\$50.00 per day
(qq) Elevator board	\$50.00 per day
(rr) General industry safety standards commission	\$50.00 per day
(ss) General industry safety standards advisory committees	\$50.00 per day
(tt) Construction safety standards commission	\$50.00 per day
(uu) Construction safety standards advisory committees	\$50.00 per day
(vv) Board of health and safety compliance appeals	\$50.00 per day

(ww) Occupation health standards commission.....	\$50.00 per day
(xx) Fire safety board	\$50.00 per day
(yy) Occupational health standards advisory committee	\$50.00 per day

Sec. 308. The Michigan state housing development authority shall annually present a report to the state budget office and the subcommittees on the status of the authority's housing production goals under all financing programs established or administered by the authority. The report shall give special attention to efforts to raise affordable multifamily housing production goals.

Sec. 309. The department shall assess and collect fees in the licensing and regulation of child care organizations as defined in 1973 PA 116, MCL 722.111 to 722.128, and adult foster care facilities as defined in the adult foster care facility licensing act, 1979 PA 218, MCL 400.701 to 400.737. Fees collected by the department shall be used exclusively for the purpose of licensing and regulating child care organizations and adult foster care facilities.

Sec. 310. The appropriation in part 1 for the department, bureau of safety and regulation, safety education and training division, includes funding for on-site consultation and education and training programs. The appropriation in part 1 anticipates that 90% of the on-site consultation program costs and 50% of the education and training program costs will be supported by federal OSHA funds and the remaining 10% and 50% respectively will be supported by safety education and training funds. If federal OSHA funding does not become available to cover up to 90% of the program costs for on-site consultation and 50% for education and training, up to 50% of the program costs for on-site consultation and 90% of the program costs for education and training may be paid from the safety education and training fund as a match for available federal funds.

Sec. 311. The funds collected by the department for licenses, permits, and other elevator regulation fees set forth in R 408.8151 of the Michigan administrative code and as determined under section 8 of 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816, that are unexpended at the end of the fiscal year shall carry forward to the subsequent fiscal year. The department shall submit a report on an annual basis to the state budget office and the subcommittees on the amount of funds available under this section.

Sec. 312. If the revenue collected by the department for occupational safety and health, health systems administration, or radiological health administration and projects from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

Sec. 313. Money appropriated under this act for fire safety programs shall not be expended unless, in accordance with section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees will be charged according to the following schedule:

Operation and maintenance inspection fee

<u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
Hospitals	Any	\$8.00 per bed

Plan review and construction inspection fees for hospitals and schools

<u>Project cost range</u>	<u>Fee</u>
\$101,000.00 or less	minimum fee of \$155.00
\$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00
\$1,500,001.00 to \$10,000,000.00	\$1.30 per \$1,000.00
\$10,000,001.00 or more	\$1.10 per \$1,000.00

or a maximum fee of \$60,000.00.

Sec. 314. The department shall furnish the clerk of the house, the secretary of the senate, the state budget office, and all members of the house and senate appropriations committees with a summary of any evaluation reports and subsequent approvals or disapprovals of juvenile residential facilities operated by the family independence agency, as required by section 6 of 1973 PA 116, MCL 722.116. If no evaluations are conducted during the fiscal year, the department shall notify the fiscal agencies and all members of the appropriate subcommittees of the house and senate appropriation committees.

Sec. 315. (1) From the amount appropriated in part 1 to health systems administration, the department shall provide funding for not less than 113 inspectors to annually survey and investigate the care and services delivered in nursing homes, county medical care facilities, and hospital long-term care units in accordance with provisions in the public health code, 1978 PA 368, MCL 333.1101 to 333.25211, and federal Medicare and Medicaid certification standards.

(2) The department, in keeping with the severity of the allegations, shall investigate complaints alleging poor care and services occurring on nights or weekends in nursing homes, county medical care facilities, and hospital long-term care units by conducting on-site investigations on nights or weekends.

Sec. 316. If the revenue collected by the department from licensing and regulation fees exceeds the amount appropriated in part 1, the revenue may be carried forward into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

Sec. 317. Funds earned or authorized by the United States department of labor in excess of the gross appropriation in part 1 for the Michigan unemployment agency from the United States department of labor are appropriated and may be expended for staffing and related expenses incurred in the operation of its programs. These funds may be spent after the department notifies the state budget office and the subcommittees of the purpose and amount of each grant award.

Sec. 318. The department shall sell documents at a price not to exceed the cost of production and distribution. Money received from the sale of these documents shall revert to the department. The funds are available for expenditure when they are received by the department of treasury and may only be used for costs directly related to the continued updating and distribution of the documents pursuant to this section. This section applies only for the following documents:

(a) Corporation and securities division documents, reports, and papers required or permitted by law pursuant to section 1060(5) of the business corporation act, 1972 PA 284, MCL 450.2060.

(b) The subdivision control manual, the state boundary commission operations manual, and other local government assistance manuals.

(c) The Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1101 to 436.2303, with amendments.

(d) The mobile home commission act, 1987 PA 96, MCL 125.2301 to 125.2349; the business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192; and the uniform securities act, 1964 PA 265, MCL 451.501 to 451.818.

(e) Labor law books.

(f) Worker's compensation health care services rules.

(g) Minimum design standards for health care facilities.

Sec. 319. The department shall report to the state budget office, the fiscal agencies, and the subcommittees on March 1, 2002 and September 1, 2002 on the initial and follow-up surveys conducted on all nursing homes in this state. The report shall include all of the following information:

(a) The number of surveys conducted.

(b) The number requiring follow-up surveys.

(c) The number referred to the Michigan public health institute for remediation.

(d) The number of citations per home.

(e) The number of night and weekend complaints filed.

(f) The number of night and weekend responses to complaints conducted by the department.

(g) The average length of time for the department to respond to a complaint filed against a nursing home.

(h) The number and percentage of citations appealed.

(i) The number and percentage of citations overturned and/or modified.

Sec. 320. The department, bureau of safety and regulation, shall provide an annual report by February 1 of each year to the state budget office, the fiscal agencies, and the subcommittees on the number of individuals killed and the number of individuals injured on the job within industries regulated by the bureau during the preceding calendar year.

Sec. 321. The department shall report by November 1, 2001 to the state budget office, the legislature, and the fiscal agencies the status of the nursing home complaint investigation backlog.

Sec. 322. As a condition for receiving the general fund/general purpose appropriations in part 1 for health systems administration, the department shall provide assistance to any person making an oral request for a nursing home investigation in putting his or her request into writing, shall initiate investigations on all written nursing home complaints filed with the department within 15 days of receipt of the complaint, and shall provide a written response to the complainant within 30 days of receipt of the written complaint.

Sec. 323. The unemployment agency, during its transition to the remote initial claims system, may operate a sufficient number of unemployment agency offices, including itinerant or satellite offices, within Michigan's Upper Peninsula to ensure that the citizens of the Upper Peninsula can access these offices without excessive travel or, in cases where unemployment claims are filed or renewed by phone, without excessive long-distance toll charges.

Sec. 324. The department shall continue to work with grantees supported through the appropriation in part 1 for emergency medical services grants and contracts to ensure that a sufficient number of qualified emergency medical services personnel exist to serve rural areas of the state.

Sec. 325. (1) Of the funds appropriated in part 1 to the office of financial and insurance services created under Executive Order No. 4 of 2000, the funds allocated to the office of financial and insurance services and the commissioner of the office of financial and insurance services under the insurance code of 1956, 1956 PA 218, MCL 500.100 to 500.8302, shall be accounted for separately by the department from any other funds of the office of financial and insurance services and shall be separated and allocated as restricted funds to be held and expended only in the manner provided for under section 225 of the insurance code of 1956, 1956 PA 218, MCL 500.225, and this act.

(2) The director shall report to the state budget office and the subcommittees by February 1, 2002 regarding the expenditures for the previous fiscal year from insurance regulatory fees for the following:

(a) The executive direction unit.

(b) The management services unit.

(c) The salary and expenditures of the commissioner of financial and insurance services.

Sec. 326. From the funds appropriated in part 1 for utility consumer representation, the department shall produce and facilitate the airing of public service announcements that inform utility customers of the availability and purpose of these funds. The utility consumer participation board shall report to the subcommittees, fiscal agencies, and state budget office by September 30, 2002 on its efforts in this area, including the amount of expenditures made for this purpose.

Sec. 327. (1) The department in consultation with nursing home provider groups, the department of community health, the state long-term care ombudsman, and the federal health care finance administration shall continue to work to clarify the following terms as those terms are used in title XVIII and title XIX and applied by the department to provide more consistent regulation of nursing homes in Michigan:

- (a) Immediate jeopardy.
- (b) Harm.
- (c) Potential harm.
- (d) Avoidable.
- (e) Unavoidable.

(2) The department shall semiannually provide for joint training with nursing home surveyors and providers on at least 1 of the 10 most frequently issued federal citations in this state during the past calendar year. The department shall provide a mechanism to measure the effect of the training and shall report to the legislature and the state budget office on the effect of the training by January 15, 2002.

Sec. 328. Of the funds appropriated in part 1 for nursing home quality incentive grants, funds shall not be distributed to a nursing home under the program unless that nursing home posts the executive summary of the nursing home's last annual inspection in a conspicuous place within the nursing home for public review.

Sec. 329. The unemployment agency shall work collaboratively with the department of career development to ensure each 1-stop center has the ability to assist individuals or respond to inquiries regarding unemployment benefits and the remote initial claims system.

Sec. 330. (1) The department shall post on the Internet the executive summary of the latest inspection for each licensed nursing home.

(2) The department shall work toward posting inspection summaries for licensed day care centers on the Internet.

Sec. 332. From the appropriations in part 1 for occupational safety and health, the department shall provide funding for 30 general industry safety inspectors, 20 construction industry safety inspectors, and 26 industrial hygienists. The department shall submit a report to the subcommittees, fiscal agencies, and state budget office by February 15, 2002 on the staffing levels for these categories. No budgetary savings shall be taken from the funding for inspection staffing.

Sec. 333. (1) The department shall maintain a nursing home quality care incentive program. The department shall post criteria for this grant program on the Internet and shall make the criteria available in written format upon request.

(2) In establishing criteria for the awarding of nursing home innovative grants authorized in part 1, the department shall allow every facility to apply for funds each year unless the facility has received a substandard quality of care citation on its last annual survey. If an annual survey is not complete by the time of the due date for grant applications, a facility's application will be held pending the outcome of that annual survey. No single annual survey may be used twice to deny a facility grant application.

Sec. 334. When hiring any new nursing home inspectors funded through appropriations in part 1, the department shall make every effort to hire individuals with past experience in the long-term care industry.

Sec. 335. It is the intent of this legislature that beginning January 1, 2004, the board of psychology shall require a licensee seeking renewal of a license to furnish the board with satisfactory evidence that during the 2 years before application for renewal the licensee has attended continuing education courses or programs approved by the board totaling not less than 36 credits. The applicant shall be responsible for maintaining records of continuing education attendance. The board is authorized to request verification of continuing education records at the time of renewal of application. Verification may be conducted periodically by sample or by means other than reviewing every application.

Sec. 336. The department shall work to promote the nursing scholarship program funded from appropriations in part 1 to health services. The department shall focus its promotional efforts on recruiting undergraduate students into the nursing field in order to address the current nursing shortage. The department shall also make every effort to utilize scholarship funds in a manner which encourages undergraduate students to enter the nursing field.

Sec. 337. (1) The unemployment agency shall include in the remote initial claims center (RICCS) automated phone system a choice to speak with an employee of the unemployment agency as an option. This option should be provided in the system as early as possible as deemed appropriate in the system design. The department shall monitor the system to ensure compliance with these guidelines.

(2) The unemployment agency should continue to provide training opportunities to employees affected with the implementation of the RICCS.

Sec. 338. Nursing facilities shall report in the quarterly staff report to the department, the total patient care hours provided each month, by state licensure and certification classification, and the percentage of pool staff, by state licensure and certification classification, used each month during the preceding quarter. The department shall make available to the public, the quarterly staff report compiled for all facilities including the total patient care hours and the percentage of pool staff used, by classification.

Sec. 339. It is the intent of the legislature that the department make every effort to hold administrative law hearings on actions initiated by the department against regulated businesses or against individuals in regulated occupations in locations that are within 150 miles of the regulated business or of the office of the individual in a regulated occupation. In addition, it is the intent of the legislature that the department make every effort to hold administrative law hearings on actions initiated by an individual outside the department in locations within 150 miles of the home of the individual bringing the action if that individual wishes to testify at the hearing.

Sec. 340. The department shall work cooperatively with the department of civil service to identify state employees who will lose their jobs as a result of an agency program being reorganized, modified, or eliminated and shall develop training programs and provide training to these individuals that will provide them with the opportunity and skills necessary to secure new employment within the state government or the private sector. It shall be a priority of the department to provide training and employment opportunities to these displaced state employees through Michigan's employment service locations.

Sec. 341. From the funds appropriated in part 1 for adult foster care, children's welfare, and day care licensure, the department shall maintain a day care facility to day care inspector ratio of no more than 210 to 1.

Sec. 342. (1) The funding appropriated in part 1 for the low-income/energy efficiency assistance program shall be distributed by the Michigan public service commission in accordance with section 10d(6) of 1939 PA 3, MCL 460.10d.

(2) The public service commission shall report by June 1 to the subcommittees, the state budget office, and the fiscal agencies on the distribution of these funds.

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

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, 2002; 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.

Loren Bennett
Leon Stille
Joe Young, Jr.
Conferees for the Senate

Marc Shulman
Patricia Lockwood
Conferees for the House

Pending the order that, under joint rule 9, the conference report be laid over one day,

Senator Emmons moved that the rule be suspended.

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

The question being on the adoption of the conference report,

The second conference report was adopted, a majority of the members serving voting therefor, as follows:

Roll Call No. 306

Yeas—35

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

Nays—0

Excused—2

Hart

Vaughn

Not Voting—0

In The Chair: Schwarz

The question being on concurring in the committee recommendation to give the bill immediate effect, The recommendation was concurred in, 2/3 of the members serving voting therefor.

By unanimous consent the Senate returned to the order of
Statements

Senators Shugars, Gougeon and Goschka asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Shugars' statement is as follows:

Earlier today we had a discharge motion, and I opposed that motion. While we're very reliant upon our friends in the Middle East for oil and gas and because of the current events, we will be entering into a sustained war against terrorists. These foreign sources may very well either severely shorten the supplies, eliminate the supplies, or increase the cost to us substantially. Rather than doing what we were talking about doing, we should be lifting restrictions and regulations on the exploration and drilling of oil and gas in this state and in the country. This would reduce the reliance upon the foreign countries.

Senator Gougeon's statement is as follows:

Yesterday it came to my attention that the Appropriations Committee of the House had passed out Senate Bill No. 291 with a 5-percent reduction across the board in the Department of Community Health budget, among other items.

I rise today to urge the body of the House of Representatives to at least reverse that position with regard to the Department of Community Health budget. It is premature. It doesn't give the public an opportunity for input to that budget. We have no targets to deal with, and it doesn't allow for creativity of the members of the subcommittee either in the House or the Senate to deal with that bill. It is, of course, causing an untold amount of concern among health care institutions and professionals throughout this state.

I would simply urge the body to allow the committee process to work. We may ultimately have to have some sort of cut. I'm not saying that we won't, but let us look at the situation, and then we're not five or six months premature on this issue. Let us have the opportunity to work on creative solutions for that budget. I promise that we will be working as hard as we possibly can so that we will not have ultimate concern about the outcome of that budget next year. Political considerations are part of the reason why this action was taken. I would urge a reversal of what was accomplished on the 5-percent reduction in Senate Bill No. 291.

Senator Goschka's statement is as follows:

I agree with everything that the previous speaker just said, Senator Gougeon from Bay City.

I would just like to also add the comments that Senate Bill No. 291 also reduces by 5 percent the budgets dealing with the FIA as well as Corrections. As chair of the FIA budget, I do believe it is very presumptuous on the part of the House, with all due respect, to take such action when we really don't have the forecast of the economy so very present with us as we look down the road. We know where we're at today, but again, it is very presumptuous to take such action for a budget that's a year out not knowing what the economy will be at that time.

Senate Bill No. 291 ought not to reflect any type of a reduction, and I join with my colleague, Senator Gougeon, in opposing that action and requesting that the House would reassess its position. It has caused undue stress on a number of individuals, good folks who are health care providers and provide other services all across this state. I really believe it would behoove us as legislators to not take such action when it is unwarranted.

Scheduled Meetings

Appropriations - Wednesday, September 26, 2:00 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-6960)

Economic Development, International Trade and Regulatory Affairs - Tuesday, September 25, 1:00 p.m., Room 110, Farnum Building (373-7946)

Farming, Agribusiness and Food Systems - Wednesday, September 26, 1:00 p.m., Room 405, Capitol Building (373-1725)

Finance - Tuesday, September 25, 1:00 p.m., Senate Hearing Room, Ground Floor, Michigan National Tower (373-3760)

Great Lakes Conservation Task Force - Monday, October 1, 6:00 p.m., Monroe Community College, Administration Building, Dining Hall, 1555 Raisinville Road, Monroe; Tuesday, October 30, 6:00 p.m., City of Port Huron Municipal Office Center, 100 McMorran Boulevard, Port Huron; Monday, November 26, 6:00 p.m., Saginaw Valley State University, Curtis Center, 2250 Pierce Road, University Center; (Location information for the following meetings will be provided in a future notice): Monday, October 8, 6:00 p.m., Macomb; Thursday, October 18, 6:00 p.m., Marquette; Monday, November 5, 5:00 p.m., St. Joseph (373-0797)

Health Policy - Tuesday, September 25, 3:00 p.m., Room 100, Farnum Building (373-0793)

Senate Fiscal Agency Governing Board - Wednesday, September 26, 3:00 p.m., or later immediately following the Senate Appropriations meeting, Room S-324, Capitol Building (373-6960)

Transportation and Tourism - Tuesday, September 25, 3:00 p.m., Room 110, Farnum Building (373-1758)

Senator Emmons moved that the Senate adjourn.
The motion prevailed, the time being 12:19 p.m.

The President pro tempore, Senator Schwarz, declared the Senate adjourned until Tuesday, September 25, at 10:00 a.m.

CAROL MOREY VIVENTI
Secretary of the Senate.

