

**No. 58**  
**STATE OF MICHIGAN**  
**Journal of the Senate**  
**91st Legislature**  
**REGULAR SESSION OF 2002**

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Senate Chamber, Lansing, Tuesday, July 9, 2002.

12:00 noon.

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

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

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

Senator Loren N. Bennett of the 8th District offered the following invocation:

Dear Lord, we pray for wisdom to do what is right in Your eyes. We also pray for humility so that we may remain humble servants attempting to do Your will not ours. Thank You for Your many blessings that You grant to us each day. In Jesus' name we pray. Amen.

Senators Cherry, Miller and Smith entered the Senate Chamber.

### Motions and Communications

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

The following communication was received and read:

Office of the Senate Majority Leader

June 28, 2002

Pursuant to Senate Rule 1.105, I hereby appoint the following members to the following conference committee:

House Bill 5467     Senator Bullard  
                          Senator McCotter  
                          Senator Young

Sincerely,  
Dan L. DeGrow  
Senate Majority Leader

The communication was referred to the Secretary for record.

The following communications were received:

Office of the State Budget

June 19, 2002

Transmitted under this cover is a schedule entitled "Statement of Revenue Subject to Constitutional Limitation - Legal Basis." The statement is submitted pursuant to Section 18.1350 of the Michigan Compiled Laws for the purpose of demonstrating compliance with Article 9, Section 26 of the Michigan Constitution for the fiscal year 2000-2001.

The statement has been reviewed by the Office of the Auditor General and a copy of the independent accountant's review is enclosed.

If you have any questions regarding this report, please contact Mr. Leon E. Hank, Director, Office of Financial Management, at 373-1010.

June 28, 2002

This letter transmits the "Statement of the Proportion of Total State Spending From State Sources Paid to Units of Local Government - Legal Basis" for fiscal year 1999-2000, which has been prepared in accordance with Sections 18.1115(5), 18.1303-18.1305, 18.1349, 18.350, 18.1497, and 18.1498 of the Michigan Compiled Laws for the purpose of demonstrating compliance with Article 9, Section 30 of the Michigan Constitution.

The computed percentage of total state spending from state sources paid to local governments for fiscal year 2000-2001 is 62.77%, which is 13.80% in excess of the minimum required 48.97%.

The statement has been reviewed by the Office of the Auditor General and a copy of their independent accountant's review letter is enclosed.

If you have questions regarding this report, please contact Mr. Leon E. Hank, Director, Office of Financial Management, at 373-1010.

Sincerely,  
Don Gilmer  
State Budget Director

The communications were referred to the Secretary for record.

The following communications were received:

Office of the Auditor General

June 27, 2002

Enclosed is a copy of the following audit report and/or report summary:  
Financial Audit of the Michigan Economic Development Corporation, October 1, 2000 through September 30, 2001.

June 27, 2002

Enclosed is a copy of the following audit report and/or report summary:  
Financial Audit, Including the Provisions of the Single Audit Act, of the Department of Education, October 1, 1999 through September 30, 2001.

June 27, 2002

Enclosed is a copy of the following audit report and/or executive digest:  
Performance Audit of the Real Estate Division, Department of Management and Budget, June 2002.

June 27, 2002

Enclosed is a copy of the following audit report and/or report summary:  
Financial Audit of the Michigan Strategic Fund, October 1, 2000 through September 30, 2001.

June 28, 2002

Enclosed is a copy of the following audit report and/or report summary:  
Financial Audit Including the Provisions of the Single Audit Act, of the Department of Community Health, October 1, 1999 through September 30, 2001.

June 28, 2002

Enclosed is a copy of the following audit report and/or report summary:  
Financial Audit Including the Provisions of the Single Audit Act, of the Department of Environmental Quality, October 1, 1999 through September 30, 2001.

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

The communications were referred to the Secretary for record.

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

June 28, 2002

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

<u>Type of Report</u>	<u>Facility</u>	<u>Report #</u>	<u>License #</u>
Special Investigation	Maxey Boy's Training School Green Oak Center	2002C0208035	CS470201159
Special Investigation	Maxey Boy's Training School Green Oak Center	2002C0208037	CS470201159

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

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

July 2, 2002

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

<u>Type of Report</u>	<u>Facility</u>	<u>License #</u>
Approval Study Report	Maxey Boy's Training School Green Oak Center	CS470201159

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

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

Sincerely,  
John R. Suckow, C.P.A.  
Director, Finance and Administrative Services

The communications were referred to the Secretary for record.

The Secretary announced that the following House bills were received in the Senate and filed on Thursday, June 27:  
**House Bill Nos. 4035 5296 5297 5747 5858 6079 6095 6096 6202 6204 6205**

The Secretary announced that the following House bills were received in the Senate and filed on Wednesday, July 3:  
**House Bill Nos. 4017 4537 5248 5881 6203 6208**

The Secretary announced the enrollment printing and presentation to the Governor on Tuesday, July 2, for his approval the following bills:

**Enrolled Senate Bill No. 1268 at 10:55 a.m.**  
**Enrolled Senate Bill No. 1324 at 10:57 a.m.**  
**Enrolled Senate Bill No. 1359 at 10:59 a.m.**

The Secretary announced the printing and placement in the members' files on Friday, June 28, of:  
**House Bill Nos. 6227 6228 6229 6230 6231 6232**

The Secretary announced the printing and placement in the members' files on Wednesday, July 3, of:  
**House Bill Nos. 6233 6234 6235 6236 6237 6238 6239 6240 6241 6242 6243 6244**

### Messages from the Governor

The following messages from the Governor were received:

Date: June 27, 2002  
Time: 10:00 a.m.

To the President of the Senate:

Sir—I have this day approved and signed  
**Enrolled Senate Bill No. 920 (Public Act No. 482), being**

An act to authorize the state administrative board to convey certain properties in Branch county and in Wayne county; to prescribe conditions for the conveyances; to provide for disposition of the revenue from the conveyances; and to define the term "undeveloped property" in the Declaration of Restrictions applicable to the Westside Industrial Redevelopment Project U.R. Mich. 1-4 in which the Wayne county property is located; to authorize the state administrative board to transfer certain property between state departments; and to authorize the department of management and budget to dispose of certain buildings.

(Filed with the Secretary of State on June 27, 2002, at 4:08 p.m.)

Date: July 2, 2002  
Time: 10:50 a.m.

To the President of the Senate:

Sir—I have this day approved and signed  
**Enrolled Senate Bill No. 991 (Public Act No. 492), being**

An act to amend 1956 PA 218, entitled "An act to revise, consolidate, and classify the laws relating to the insurance and surety business; to regulate the incorporation or formation of domestic insurance and surety companies and associations and the admission of foreign and alien companies and associations; to provide their rights, powers, and immunities and to prescribe the conditions on which companies and associations organized, existing, or authorized under this act may exercise their powers; to provide the rights, powers, and immunities and to prescribe the conditions on which other persons, firms, corporations, associations, risk retention groups, and purchasing groups engaged in an insurance or surety business may exercise their powers; to provide for the imposition of a privilege fee on domestic

insurance companies and associations and the state accident fund; to provide for the imposition of a tax on the business of foreign and alien companies and associations; to provide for the imposition of a tax on risk retention groups and purchasing groups; to provide for the imposition of a tax on the business of surplus line agents; to provide for the imposition of regulatory fees on certain insurers; to provide for assessment fees on certain health maintenance organizations; to modify tort liability arising out of certain accidents; to provide for limited actions with respect to that modified tort liability and to prescribe certain procedures for maintaining those actions; to require security for losses arising out of certain accidents; to provide for the continued availability and affordability of automobile insurance and homeowners insurance in this state and to facilitate the purchase of that insurance by all residents of this state at fair and reasonable rates; to provide for certain reporting with respect to insurance and with respect to certain claims against uninsured or self-insured persons; to prescribe duties for certain state departments and officers with respect to that reporting; to provide for certain assessments; to establish and continue certain state insurance funds; to modify and clarify the status, rights, powers, duties, and operations of the nonprofit malpractice insurance fund; to provide for the departmental supervision and regulation of the insurance and surety business within this state; to provide for regulation over worker's compensation self-insurers; to provide for the conservation, rehabilitation, or liquidation of unsound or insolvent insurers; to provide for the protection of policyholders, claimants, and creditors of unsound or insolvent insurers; to provide for associations of insurers to protect policyholders and claimants in the event of insurer insolvencies; to prescribe educational requirements for insurance agents and solicitors; to provide for the regulation of multiple employer welfare arrangements; to create an automobile theft prevention authority to reduce the number of automobile thefts in this state; to prescribe the powers and duties of the automobile theft prevention authority; to provide certain powers and duties upon certain officials, departments, and authorities of this state; to provide for an appropriation; to repeal acts and parts of acts; and to provide penalties for the violation of this act," by amending sections 2103, 2111, 2117, 2118, 2121, 2930, 2930a, (MCL 500.2103, 500.2111, 500.2117, 500.2118, 500.2121, 500.2930, 500.2930a), section 2103 as amended by 2001 PA 147, section 2111 as amended by 1996 PA 98, section 2117 as amended by 2001 PA 25, section 2118 as amended by 1988 PA 43, section 2121 as amended by 1998 PA 26, and section 2930a as amended by 1980 PA 461.

(Filed with the Secretary of State on July 3, 2002, at 1:04 p.m.)

Date: July 2, 2002

Time: 9:50 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

**Enrolled Senate Bill No. 1268 (Public Act No. 493), being**

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

(Filed with the Secretary of State on July 3, 2002, at 1:06 p.m.)

Date: July 2, 2002  
Time: 10:00 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

**Enrolled Senate Bill No. 1016 (Public Act No. 494), being**

An act to amend 1949 PA 300, entitled “An act to provide for the registration, titling, sale, transfer, and regulation of certain vehicles operated upon the public highways of this state or any other place open to the general public or generally accessible to motor vehicles and distressed vehicles; to provide for the licensing of dealers; to provide for the examination, licensing, and control of operators and chauffeurs; to provide for the giving of proof of financial responsibility and security by owners and operators of vehicles; to provide for the imposition, levy, and collection of specific taxes on vehicles, and the levy and collection of sales and use taxes, license fees, and permit fees; to provide for the regulation and use of streets and highways; to create certain funds; to provide penalties and sanctions for a violation of this act; to provide for civil liability of owners and operators of vehicles and service of process on residents and nonresidents; to provide for the levy of certain assessments; to provide for the enforcement of this act; to provide for the creation of and to prescribe the powers and duties of certain state and local agencies; to impose liability upon the state or local agencies; to repeal all other acts or parts of acts inconsistent with this act or contrary to this act; and to repeal certain parts of this act on a specific date,” by amending sections 33, 657, 658, 660, 661, and 662 (MCL 257.33, 257.657, 257.658, 257.660, 257.661, and 257.662), section 33 as amended by 1997 PA 56, sections 657 and 660 as amended by 2000 PA 82, section 658 as amended by 1984 PA 328, and section 662 as amended by 2000 PA 131, and by adding section 13c.

(Filed with the Secretary of State on July 3, 2002, at 1:08 p.m.)

Date: July 2, 2002  
Time: 10:12 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

**Enrolled Senate Bill No. 1324 (Public Act No. 497), being**

An act to amend 1949 PA 300, entitled “An act to provide for the registration, titling, sale, transfer, and regulation of certain vehicles operated upon the public highways of this state or any other place open to the general public or generally accessible to motor vehicles and distressed vehicles; to provide for the licensing of dealers; to provide for the examination, licensing, and control of operators and chauffeurs; to provide for the giving of proof of financial responsibility and security by owners and operators of vehicles; to provide for the imposition, levy, and collection of specific taxes on vehicles, and the levy and collection of sales and use taxes, license fees, and permit fees; to provide for the regulation and use of streets and highways; to create certain funds; to provide penalties and sanctions for a violation of this act; to provide for civil liability of owners and operators of vehicles and service of process on residents and nonresidents; to provide for the levy of certain assessments; to provide for the enforcement of this act; to provide for the creation of and to prescribe the powers and duties of certain state and local agencies; to impose liability upon the state or local agencies; to repeal all other acts or parts of acts inconsistent with this act or contrary to this act; and to repeal certain parts of this act on a specific date,” by amending section 806 (MCL 257.806), as amended by 2001 PA 268.

(Filed with the Secretary of State on July 3, 2002, at 1:14 p.m.)

Date: July 2, 2002  
Time: 10:48 p.m.

To the President of the Senate:

Sir—I have this day approved and signed

**Enrolled Senate Bill No. 1314 (Public Act No. 500), being**

An act to amend 2001 PA 34, entitled “An act relative to the borrowing of money and the issuance of certain debt and securities; to provide for tax levies and sinking funds; to prescribe powers and duties of certain departments, state agencies, officials, and employees; to impose certain duties, requirements, and filing fees upon political subdivisions of this state; to authorize the issuance of certain debt and securities; to prescribe penalties; and to repeal acts and parts of acts,” by amending sections 317, 403, 611, and 701 (MCL 141.2317, 141.2403, 141.2611, and 141.2701).

(Filed with the Secretary of State on July 3, 2002, at 1:20 p.m.)

Respectfully,  
John Engler  
Governor

The following messages from the Governor were received and read:

June 28, 2002

There are herewith presented for consideration and confirmation by the Senate, the following appointments to office:

**Commission for the Blind**

Mr. Jerome Jackson, 1829 W. Grand River Avenue, Apartment I-8, Okemos, Michigan 48864-1869, county of Ingham, as a member representing blind persons, succeeding Mr. Donald R. Bowman of Lansing, whose term will expire on September 30, 2002, for a term beginning on October 1, 2002 and expiring on September 30, 2005.

Mr. Robert Adler, 7317 Upton Road, Laingsburg, Michigan 48848, county of Shiawassee, as a member representing the general public, succeeding Mr. Earl J. Steenstra of Grand Rapids, who died, for a term expiring on September 30, 2005.

June 28, 2002

There is herewith presented for consideration and confirmation by the Senate, the following appointment to office:

**Michigan Committee on Juvenile Justice**

Mr. Johnnie E. Williams III, 4399 Whisper Way Drive, Troy, Michigan 48098, county of Oakland, as a member representing the general public, succeeding Chief William G. Hegarty of Grand Rapids, who has resigned, for a term expiring on March 15, 2003.

June 28, 2002

There are herewith presented for consideration and confirmation by the Senate, the following appointment and reappointment to office:

**Michigan Soybean Committee**

Mr. Blaine M. Baker, 10100 Cadmus Road, Clayton, Michigan 49235, county of Lenawee, as a member representing growers from District 3, succeeding himself, for a term beginning on September 24, 2002 and expiring on September 23, 2005.

Mr. Robert T. Richardson, 16611 S. 24th Street, Vicksburg, Michigan 49097, county of Kalamazoo, as a member representing growers from District 1, succeeding Mr. Edward J. Cagney of Scotts, whose term will expire on September 23, 2002, for a term beginning on September 24, 2002 and expiring on September 23, 2005.

July 2, 2002

There are herewith presented for consideration and confirmation by the Senate, the following appointment and reappointment to office:

**Board of Examiners in Mortuary Science**

Mr. Harold Doll, 3402 Westwood Parkway, Flint, Michigan 48503, county of Genesee, as a member representing professionals, succeeding himself, for a term expiring on June 30, 2006.

Mr. Martin L. Hollebeek, 1702 Woodside Trail NW, Grand Rapids, Michigan 49504, county of Kent, as a member representing professionals, succeeding Ms. Mary Lou Case of Saginaw, whose term has expired, for a term expiring on June 30, 2006.

July 2, 2002

There are herewith presented for consideration and confirmation by the Senate, the following appointments and reappointments to office:

**State Fire Safety Board**

Mr. William G. Gruppen, 516 W. Lawrence, Zeeland, Michigan 49464, county of Ottawa, as a member representing Lower Peninsula fire departments, succeeding himself, for a term beginning on July 16, 2002 and expiring on July 15, 2005.

Mr. Kevin E. Johnson, 4440 Kimball Avenue, Gaylord, Michigan 49735, county of Ostego, as a member representing the liquefied petroleum gas or flammable compressed gases industry, succeeding himself, for a term beginning on July 16, 2002 and expiring on July 15, 2005.

Mr. Ronald A. VanDenBerg, 977 Lee Street, Martin, Michigan 49070, county of Allegan, as a member representing the flammable liquids industry, succeeding himself, for a term beginning on July 16, 2002 and expiring on July 15, 2005.

Mr. Daune Smith, 1515 Pine Street, Covington, Michigan 49919, county of Baraga, as a member representing Upper Peninsula fire departments, succeeding himself, for a term beginning on July 16, 2002 and expiring on July 15, 2005.

Mr. Scott Hill, 10345 Newburg Highway, Tecumseh, Michigan 49236, county of Lenawee, as a member representing building trades, succeeding himself, for a term beginning on July 16, 2002 and expiring on July 15, 2005.

Mr. Carl Simcox, 22348 Lancaster Court, Novi, Michigan 48374, county of Oakland, as a member representing adult foster care facilities, succeeding himself, for a term beginning on July 16, 2002 and expiring on July 15, 2005.

Mr. Thomas A. Erdman, 6101 Maple Road, Vassar, Michigan 48768, county of Tuscola, as a member representing licensed electrical contractors, succeeding Mr. Joseph Hale of Southfield, whose term will expire on July 15, 2002, for a term beginning on July 16, 2002 and expiring on July 15, 2005.

Mr. Gilbert Leo Rider, 3171 E. Stewart Road, Midland, Michigan 48640, county of Midland, as a member representing the chemical manufacturing industry, succeeding himself, for a term beginning on July 16, 2002 and expiring on July 15, 2005.

Mr. William J. Van Port Fleet, 1450 Maple Hollow SE, Kentwood, Michigan 49508, county of Kent, as a member representing hospital administration, succeeding himself, for a term beginning on July 16, 2002 and expiring on July 15, 2005.

Mr. William J. Van Port Fleet, 1450 Maple Hollow SE, Kentwood, Michigan 49508, county of Kent, as a member representing hospital administration, succeeding Mr. Richard S. Gudkese of Bay City, who has resigned, for a term expiring on July 15, 2002.

Ms. Maureen Fischer, 5815 Long Point Court, Ada, Michigan 49301, county of Kent, as a member representing school board members/administration, succeeding herself, for a term beginning on July 16, 2002 and expiring on July 15, 2005.

Ms. Maureen Fischer, 5815 Long Point Court, Ada, Michigan 49301, county of Kent, as a member representing school board members/administration, succeeding Mr. Robert P. Matouka of Oakland, who has resigned, for a term expiring on July 15, 2002.

July 9, 2002

There is herewith presented for consideration and confirmation by the Senate, the following reappointment to office:

**Liquor Control Commission**

Mr. James M. Storey, 344 W. 35th Street, Holland, Michigan 49423, county of Ottawa, as a member representing Republicans, succeeding himself, for a term expiring on June 12, 2006.

July 9, 2002

There are herewith presented for consideration and confirmation by the Senate, the following reappointments to office:

**Mackinac Bridge Authority**

Mr. Murray D. Wikol, 3890 Oakland Drive, Bloomfield Hills, Michigan 48301, county of Oakland, as a member representing Democrats, succeeding himself, for a term expiring on June 30, 2008

Mr. William H. Gnodtke, 856 1st Street, Charlevoix, Michigan 49720, county of Charlevoix, as a member representing Republicans, succeeding himself, for a term expiring on June 30, 2008.

Sincerely,  
John Engler  
Governor

The appointments were referred to the Committee on Government Operations.

By unanimous consent the Senate proceeded to the order of  
**Conference Reports**

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

**Senate Joint Resolution D**

The motion prevailed.

**House Bill No. 5645, entitled**

A bill to make appropriations for the family independence agency and certain state purposes related to public welfare services for the fiscal year ending September 30, 2003; to provide for the expenditure of the appropriations; to create funds; to provide for the imposition of fees; to provide for reports; to provide for the disposition of fees and other income received by the state agency; and to provide for the powers and duties of certain individuals, local governments, and state departments, agencies, and officers.

(The second conference report was not adopted on June 27 and the motion to reconsider the vote postponed. See Senate Journal No. 57, p. 1808.)

The question being on the motion to reconsider the vote by which the conference report was not adopted,  
The motion prevailed.

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. 801****Yeas—21**

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

**Nays—16**

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

**Excused—1**

Vaughn

**Not Voting—0**

In The Chair: Schwarz

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

Senator Emmons moved that joint rule 9 be suspended to permit immediate consideration of the conference report relative to the following bill:

**House Bill No. 5644**

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

**House Bill No. 5644, entitled**

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

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

The Conference Report was read as follows:

**FIRST CONFERENCE REPORT**

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

**House Bill No. 5644, entitled**

A bill to make appropriations for the department of consumer and industry services and certain other state purposes for the fiscal year ending September 30, 2003; to provide for the expenditure of those appropriations; to provide for the imposition of certain fees; to provide for the disposition of fees and other income received by the state agencies;

to provide for reports to certain persons; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

Recommends:

First: That the House recede from the House Substitute for the Senate Substitute as passed by the House.

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

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

**THE 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, 2003, 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 .....	63.5	
Full-time equated classified positions .....	3,948.9	
<b>GROSS APPROPRIATION .....</b>		<b>\$ 555,001,500</b>
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		111,100
<b>ADJUSTED GROSS APPROPRIATION .....</b>		<b>\$ 554,890,400</b>
Federal revenues:		
Total federal revenues .....		242,311,500
Special revenue funds:		
Total local revenues .....		0
Total private revenues .....		770,000
Total other state restricted revenues .....		275,832,600
State general fund/general purpose .....		\$ 35,976,300

**Sec. 102. EXECUTIVE DIRECTION**

Full-time equated unclassified positions .....	63.5	
Full-time equated classified positions .....	90.0	
Unclassified salaries .....		\$ 5,615,700
Energy office—10.0 FTE positions .....		2,655,600
Executive director programs—11.0 FTE positions .....		1,766,900
Policy development—13.0 FTE positions .....		1,649,800
Utility consumer representation .....		550,000
Regulatory efficiency improvements/backlog reduction initiative .....		750,000
MES board of review program—21.0 FTE positions .....		1,773,900
Bureau of hearings—35.0 FTE positions .....		3,556,200
<b>GROSS APPROPRIATION .....</b>		<b>\$ 18,318,100</b>

Appropriated from:

Federal revenues:		
DOE-OEERE, multiple grants .....		2,179,100
DOL-ETA, unemployment insurance .....		2,325,300
DOL, multiple grants for safety and health .....		160,300
Special revenue funds:		
Private-oil overcharge .....		30,000
Bank fees .....		139,500
Boiler fee revenue .....		33,500
Construction code fund .....		442,000
Consumer finance fees .....		49,700
Corporation fees .....		1,902,000
Credit union fees .....		96,600
Elevator fees .....		37,400
Fees and collections/asbestos .....		11,100

	For Fiscal Year Ending Sept. 30, 2003
Health professions regulatory fund .....	\$ 1,297,800
Health systems fees and collections .....	69,300
Insurance regulatory fees .....	559,300
Licensing and regulation fees.....	682,800
Liquor license fees.....	100,000
Liquor purchase revolving fund .....	1,526,700
Manufactured housing commission fees.....	144,300
Michigan state housing development authority fees and charges.....	428,000
Motor carrier fees .....	37,000
Public utility assessments .....	1,212,000
Safety education and training fund .....	241,200
Second injury fund.....	80,900
Securities fees.....	1,768,400
Self-insurers security fund .....	20,400
Silicosis and dust disease fund.....	30,000
Tax tribunal fees .....	1,100
Utility consumer representation fund .....	550,000
Worker's compensation administrative revolving fund .....	89,400
State general fund/general purpose .....	\$ 2,073,000
<b>Sec. 103. FIRE SAFETY</b>	
Full-time equated classified positions .....	60.0
Office of fire safety—60.0 FTE positions .....	\$ 4,808,300
<b>GROSS APPROPRIATION</b> .....	<u>\$ 4,808,300</u>
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of community health, inspection contract.....	111,100
Federal revenues:	
Federal funds .....	872,300
Special revenue funds:	
Fire alarm regulation fees .....	91,600
Fire service fees.....	2,134,800
State general fund/general purpose .....	\$ 1,598,500
<b>Sec. 104. MANAGEMENT SERVICES</b>	
Full-time equated classified positions .....	84.0
Administrative services—84.0 FTE positions .....	\$ 5,907,100
Building occupancy charges - property development services.....	9,117,300
Rent .....	7,061,400
Workers' compensation .....	1,148,000
Special project advances .....	740,000
<b>GROSS APPROPRIATION</b> .....	<u>\$ 23,973,800</u>
Appropriated from:	
Federal revenues:	
DOL-ETA, unemployment insurance .....	387,600
DOL, multiple grants for safety and health.....	640,400
Federal funds .....	469,700
HHS, federal funds .....	57,000
Special revenue funds:	
Private-special project advances.....	740,000
Bank fees .....	450,000
Boiler fee revenue.....	198,200
Construction code fund.....	1,031,800
Consumer finance fees .....	166,300
Corporation fees .....	2,253,600
Credit union fees.....	332,100
Elevator fees .....	209,100
Fees and collections/asbestos.....	61,500

	For Fiscal Year Ending Sept. 30, 2003
Fire service fees.....	\$ 62,000
Health professions regulatory fund .....	985,200
Health systems fees and collections .....	356,700
Insurance regulatory fees .....	786,900
Licensing and regulation fees.....	663,600
Licensing fees.....	7,700
Liquor purchase revolving fund .....	4,085,900
Manufactured housing commission fees.....	264,700
Michigan state housing development authority fees and charges.....	3,536,500
Motor carrier fees .....	174,300
Public utility assessments .....	1,400,200
Safety education and training fund .....	475,500
Second injury fund.....	185,900
Securities fees.....	1,470,600
Self-insurers security fund .....	50,800
Silicosis and dust disease fund.....	75,000
Tax tribunal fees .....	33,800
Worker's compensation administrative revolving fund .....	710,600
State general fund/general purpose .....	\$ 1,650,600
<b>Sec. 105. OFFICE OF FINANCIAL AND INSURANCE SERVICES</b>	
Full-time equated classified positions .....	279.0
Administration—14.0 FTE positions.....	\$ 2,583,300
Financial evaluation—145.0 FTE positions.....	16,892,100
Policy conduct and consumer assistance—120.0 FTE positions.....	12,158,900
GROSS APPROPRIATION .....	\$ 31,634,300
Appropriated from:	
Federal revenues:	
Federal regulatory project revenue.....	50,400
Special revenue funds:	
Bank fees .....	6,151,000
Consumer finance fees .....	3,102,000
Credit union fees.....	4,303,100
Insurance continuing education fees .....	700,900
Insurance licensing and regulation fees.....	3,112,000
Insurance regulatory fees .....	11,523,100
Multiple employer welfare arrangement.....	65,700
Securities fees.....	2,626,100
State general fund/general purpose .....	\$ 0
<b>Sec. 106. PUBLIC SERVICE COMMISSION</b>	
Full-time equated classified positions .....	148.0
Administration, planning and regulation—148.0 FTE positions.....	\$ 16,691,900
Low-income/energy efficiency assistance fund .....	60,000,000
GROSS APPROPRIATION .....	\$ 76,691,900
Appropriated from:	
Federal revenues:	
DOE-OEERE, multiple grants.....	149,000
DOT-RSPA, gas pipeline safety.....	287,000
Special revenue funds:	
Low-income and energy efficiency assistance fund.....	60,000,000
Motor carrier fees .....	1,856,600
Public utility assessments .....	14,399,300
State general fund/general purpose .....	\$ 0
<b>Sec. 107. LIQUOR CONTROL COMMISSION</b>	
Full-time equated classified positions .....	179.0
Management support services—39.0 FTE positions.....	\$ 2,709,300
Liquor licensing and enforcement—140.0 FTE positions.....	10,985,700

	For Fiscal Year Ending Sept. 30, 2003
Liquor law enforcement grants .....	\$ 6,000,000
Grant to department of agriculture for wine industry council .....	457,200
<b>GROSS APPROPRIATION</b> .....	<b>\$ 20,152,200</b>
Appropriated from:	
Special revenue funds:	
Liquor license revenue .....	11,086,200
Liquor purchase revolving fund .....	8,608,800
Nonretail liquor license revenue .....	457,200
State general fund/general purpose .....	\$ 0
<b>Sec. 108. MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY</b>	
Full-time equated classified positions .....	226.0
Payments on behalf of tenants .....	\$ 78,000,000
Housing and rental assistance program—226.0 FTE positions .....	23,345,900
Homeless program .....	5,290,800
<b>GROSS APPROPRIATION</b> .....	<b>\$ 106,636,700</b>
Appropriated from:	
Federal revenues:	
HUD, lower income housing assistance program .....	92,574,900
Special revenue funds:	
Michigan state housing development authority fees and charges .....	14,061,800
State general fund/general purpose .....	\$ 0
<b>Sec. 109. TAX TRIBUNAL</b>	
Full-time equated classified positions .....	13.0
Operations—13.0 FTE positions .....	\$ 1,353,200
<b>GROSS APPROPRIATION</b> .....	<b>\$ 1,353,200</b>
Appropriated from:	
Special revenue funds:	
Tax tribunal fees .....	641,600
State general fund/general purpose .....	\$ 711,600
<b>Sec. 110. GRANTS</b>	
Fire protection grants .....	\$ 3,721,000
<b>GROSS APPROPRIATION</b> .....	<b>\$ 3,721,000</b>
Appropriated from:	
Special revenue funds:	
Liquor purchase revolving fund .....	3,721,000
State general fund/general purpose .....	\$ 0
<b>Sec. 111. HEALTH REGULATORY SYSTEMS</b>	
Full-time equated classified positions .....	342.0
Health systems administration—179.0 FTE positions .....	\$ 17,253,300
Emergency medical services program state staff—7.0 FTE positions .....	904,700
Radiological health administration and projects—24.0 FTE positions .....	2,025,800
Substance abuse program administration—4.0 FTE positions .....	409,600
Emergency medical services grants and contracts .....	1,062,100
Health services—128.0 FTE positions .....	14,245,200
<b>GROSS APPROPRIATION</b> .....	<b>\$ 35,900,700</b>
Appropriated from:	
Federal revenues:	
Federal funds .....	13,001,100
Special revenue funds:	
Pain management education and controlled substances, electronic monitoring and antidiversion fund .....	1,362,300
Health professions regulatory fund .....	11,189,000
Health systems fees and collections .....	3,870,100
Nurse professional fund .....	823,100
State general fund/general purpose .....	\$ 5,655,100

For Fiscal Year  
Ending Sept. 30,  
2003

<b>Sec. 112. REGULATORY SERVICES</b>	
Full-time equated classified positions .....	306.0
AFC, children's welfare and day care licensure—306.0 FTE positions .....	\$ 26,034,700
<b>GROSS APPROPRIATION</b> .....	\$ 26,034,700
Appropriated from:	
Federal revenues:	
HHS, federal funds .....	10,664,800
Special revenue funds:	
Health systems fees and collections .....	94,200
Licensing fees .....	490,500
State general fund/general purpose .....	\$ 14,785,200
<b>Sec. 113. OCCUPATIONAL REGULATION</b>	
Full-time equated classified positions .....	345.0
Commissions and boards.....	\$ 49,700
Code enforcement—98.0 FTE positions.....	7,902,000
Code enforcement flexibility.....	1,141,900
Boiler inspection program—24.0 FTE positions .....	2,201,800
Elevator inspection program—26.0 FTE positions .....	2,287,000
Commercial services—159.0 FTE positions.....	13,994,800
Local manufactured housing communities inspections.....	250,000
Manufactured housing and land resources program—26.0 FTE positions .....	2,635,000
Property development group—12.0 FTE positions .....	1,338,700
Remonumentation grants.....	6,000,000
<b>GROSS APPROPRIATION</b> .....	\$ 37,800,900
Appropriated from:	
Special revenue funds:	
Boiler fee revenue.....	2,350,600
Construction code fund .....	9,433,500
Corporation fees .....	4,837,100
Elevator fees .....	2,396,400
Homeowner construction lien recovery fund.....	1,532,800
Licensing and regulation fees.....	7,844,500
Limited liability partnership revenue .....	10,000
Manufactured housing commission fees.....	2,276,900
Property development fees .....	241,300
Remonumentation fees.....	6,605,300
Real estate appraiser continuing education fund .....	45,000
Real estate education fund .....	217,500
State general fund/general purpose .....	\$ 10,000
<b>Sec. 114. EMPLOYMENT RELATIONS</b>	
Full-time equated classified positions .....	28.0
Fact finding and arbitration.....	\$ 144,300
Employment and labor relations—28.0 FTE positions .....	2,944,000
<b>GROSS APPROPRIATION</b> .....	\$ 3,088,300
Appropriated from:	
Federal revenues:	
EEOC, federal funds .....	10,000
Special revenue funds:	
State general fund/general purpose .....	\$ 3,078,300
<b>Sec. 115. SAFETY AND REGULATION</b>	
Full-time equated classified positions .....	240.0
Commissions and boards.....	\$ 21,400
Subgrantees.....	1,226,900
Occupational safety and health—240.0 FTE positions .....	21,357,500
<b>GROSS APPROPRIATION</b> .....	\$ 22,605,800
Appropriated from:	
Federal revenues:	
DOL, multiple grants for safety and health.....	10,377,200

	For Fiscal Year Ending Sept. 30, 2003
Special revenue funds:	
Fees and collections/asbestos .....	\$ 704,300
Safety education and training fund .....	6,690,900
State general fund/general purpose .....	\$ 4,833,400
<b>Sec. 116. BUREAU OF WORKERS' AND UNEMPLOYMENT COMPENSATION</b>	
Full-time equated classified positions .....	1,608.9
Administration—118.0 FTE positions .....	\$ 8,530,100
Appellate commission administration—11.4 FTE positions .....	889,900
Board of magistrates administration—8.0 FTE positions .....	1,916,900
Employment standards enforcement—38.0 FTE positions .....	2,621,900
Insurance funds administration—32.0 FTE positions .....	5,500,800
Supplemental benefit fund .....	1,300,000
Grant to department of career development, hire the handicapped program .....	50,000
Unemployment program—1,324.2 FTE positions .....	78,421,300
Workers' compensation .....	589,000
Building occupancy charges - property development service .....	4,245,500
Rent .....	5,915,100
Advocacy assistance program—8.0 FTE positions .....	1,500,000
Expanded fraud control program—33.2 FTE positions .....	2,566,200
Special audit and collections program—34.0 FTE positions .....	2,245,900
Training program for agency staff—2.1 FTE positions .....	1,756,400
GROSS APPROPRIATION .....	\$ 118,049,000
Appropriated from:	
Federal revenues:	
DOL, employment and training administration .....	529,200
DOL-ETA, unemployment insurance .....	92,887,900
Federal Reed act funds.....	4,233,500
Special revenue funds:	
Corporation fees .....	361,000
Contingent fund, penalty and interest account .....	9,388,400
Second injury fund.....	3,321,500
Securities fees.....	360,900
Self-insurers security fund.....	886,500
Silicosis and dust disease fund.....	1,342,800
Worker's compensation administrative revolving fund .....	2,115,400
State general fund/general purpose .....	\$ 2,621,900
<b>Sec. 117. INFORMATION TECHNOLOGY</b>	
Information technology services and projects .....	\$ 26,244,200
GROSS APPROPRIATION .....	\$ 26,244,200
Appropriated from:	
Federal revenues:	
DOL-ETA, unemployment insurance .....	10,360,300
DOL, multiple grants for safety and health.....	38,000
Federal funds .....	56,500
Special revenue funds:	
Bank fees .....	223,800
Boiler fee revenue.....	94,300
Construction code fund .....	724,600
Consumer finance fees .....	85,800
Contingent fund, penalty and interest account .....	122,800
Corporation fees .....	1,598,400
Credit union fees.....	157,900
Elevator fees .....	89,800
Fees and collections/asbestos.....	17,500
Health professions regulatory fund .....	484,800
Health systems fees and collections .....	244,500

	For Fiscal Year Ending Sept. 30, 2003
Insurance regulatory fees .....	\$ 471,700
Licensing and regulation fees.....	979,700
Liquor purchase revolving fund .....	4,270,300
Manufactured housing commission fees.....	47,500
Michigan state housing development authority fees and charges.....	1,182,400
Motor carrier fees .....	164,700
Public utility assessments .....	1,092,200
Safety education and training fund .....	178,200
Second injury fund.....	215,300
Securities fees.....	1,337,200
Self-insurers security fund.....	76,800
Silicosis and dust disease fund.....	99,600
Worker’s compensation administrative revolving fund .....	859,300
State general fund/general purpose .....	\$ 970,300
<b>Sec. 118. EARLY RETIREMENT AND BUDGETARY SAVINGS</b>	
Early retirement savings .....	\$ (1,631,700)
Budgetary savings.....	(379,900)
<b>GROSS APPROPRIATION .....</b>	<b>\$ (2,011,600)</b>
Appropriated from:	
State general fund/general purpose .....	\$ (2,011,600)

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2002-2003 is \$311,808,900.00 and state spending from state resources to be paid to local units of government for fiscal year 2002-2003 is \$16,221,000.00. 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.....	\$ 3,721,000
Liquor law enforcement .....	6,000,000
Local manufactured housing inspections.....	250,000
Remuneration grants.....	6,000,000
Subgrantees.....	250,000
Total department of consumer and industry services.....	\$ 16,221,000

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) “DOT” means the United States department of transportation.
- (h) “DOT-RSPA” means the DOT research and special programs administration.
- (i) “EEOC” means equal employment opportunity commission.
- (j) “Fiscal agencies” means Michigan house fiscal agency and Michigan senate fiscal agency.
- (k) “FTE” means full-time equated.
- (l) “HHS” means the United States department of health and human services.
- (m) “HUD” means the United States department of housing and urban development.
- (n) “IDG” means interdepartmental grant.
- (o) “MES” means Michigan employment security.
- (p) “Subcommittees” means all members of the subcommittees of the house and senate appropriations committees with jurisdiction over the

**BUDGET FOR THE DEPARTMENT.**

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 quarterly to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous 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. 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. 212. The departments and state agencies receiving appropriations under this act shall receive and retain copies of all reports funded from appropriations in part 1. These departments and state agencies shall follow federal and state guidelines for short-term and long-term retention of these reports and records.

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

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

Sec. 261. (1) The negative appropriation for early retirement savings in part 1 shall be satisfied by savings realized from not filling all of the positions lost due to the early retirement plan for state employees enacted in 2002 PA 93 amendments to the state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69.

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

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

Sec. 262. (1) Subject to subsection (2), in addition to the amounts appropriated under part 1, \$3,700,000.00 is appropriated to fire protection grants from the state general fund for the fiscal year ending September 30, 2003.

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

**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 December 1 of each year 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 \$50.00 per day.

Sec. 306. 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. 307. 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. 308. 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. 309. 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. 310. 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:

<u>Operation and maintenance inspection fee</u>	
<u>Facility type</u>	<u>Facility size</u>
Hospitals	Any
	Fee
	\$8.00 per bed
<u>Plan review and construction inspection fees for hospitals and schools</u>	
<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. 311. 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. 312. (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. 313. 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. 314. 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. 315. 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.

(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.

(h) Construction code manuals.

(i) Copies of transcripts from administrative law hearings.

Sec. 316. The department shall report to the state budget office, the fiscal agencies, and the subcommittees on April 30, 2003 and October 31, 2003 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. 317. 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. 318. The department shall report by November 1, 2002 to the state budget office, the legislature, and the fiscal agencies the status of the nursing home complaint investigation backlog.

Sec. 319. 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. 320. 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. 321. 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. 322. 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, 2003 on its efforts in this area, including the amount of expenditures made for this purpose.

Sec. 323. (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, 2003.

Sec. 324. 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. 325. (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. 326. From the appropriations in part 1 for occupational safety and health, the department shall provide funding for at least 76 general industry safety inspectors, construction industry safety inspectors, and industrial hygienists. The department shall submit a report to the subcommittees, fiscal agencies, and state budget office by February 15, 2003 on the staffing levels for these categories. No budgetary savings shall be taken from the funding for inspection staffing.

Sec. 327. 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. 328. 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. 329. 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. 330. (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. 331. 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. 332. 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. 333. 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. 334. From the funds appropriated in part 1 for adult foster care, children's welfare, and day care licensure, the department shall make every effort to maintain a day care facility to day care inspector ratio of no more than 210 to 1.

Sec. 335. (1) The public service commission shall report by June 1 of each year to the subcommittees, the state budget office, and the fiscal agencies on the distribution of funds appropriated in part 1 for the low-income/energy efficiency assistance program.

(2) Of the funds appropriated in part 1 for low-income/energy efficiency assistance, \$3,000,000.00 shall be allocated to community action agencies across the state to support shut-off protection programs for low-income individuals. Funds shall be distributed to the community action agencies no later than November 1 of each year. The community action agencies shall abide by any reporting and monitoring requirements imposed by the public service commission on other grant recipients receiving funding through this program.

Sec. 336. The department shall provide the subcommittees, fiscal agencies, and state budget director with a report on or before December 1, 2002 outlining actual expenditures for the last completed fiscal year for each division within the office of financial and insurance services.

Sec. 337. The department shall work cooperatively with the family independence agency and with representatives from the Michigan federation of private child and family agencies to form a licensing and contract compliance review team pilot to coordinate and conduct joint reviews of 1 child placing agency and 1 child caring institution between October 1, 2002 and February 1, 2003. The Michigan federation of private child and family agencies will survey team participants and involved agencies regarding the process and provide feedback to the department. The department shall report during the annual budget presentation to the subcommittees regarding pilot outcomes.

Sec. 338. Of the funds appropriated in part 1 for health services, \$125,000.00 shall be allocated to the center for nursing to conduct research that will address nurse workforce planning, the supply of and demand for nurses, and nurse recruitment and retention issues. The center for nursing shall recommend ways to address the shortage of nurses.

Sec. 339. From the amount appropriated in part 1 for administration of the bureau of worker's and unemployment compensation, the department shall provide funding for 6 worker's compensation mediators positions annually.

Sec. 340. The office of financial and insurance services shall provide copies of the quarterly and annual financial filings of health maintenance organizations to the senate and house fiscal agencies on a timely basis.

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

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

Marc Shulman  
Charles LaSata  
Conferees for the House

Loren Bennett  
Leon Stille  
Conferees for the Senate

The question being on the adoption of the conference report,

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

**Roll Call No. 802**

**Yeas—21**

Bennett  
Bullard

Garcia  
Gougeon

McCotter  
McManus

Schwarz  
Sikkema

Byrum  
DeGrow  
Dunaskiss  
Emmons

Hammerstrom  
Hoffman  
Johnson

North  
Sanborn  
Schuette

Steil  
Stille  
Van Regenmorter

**Nays—16**

Cherry  
DeBeaussaert  
Dingell  
Emerson

Gast  
Goschka  
Hart  
Koivisto

Leland  
Miller  
Murphy  
Peters

Scott  
Shugars  
Smith  
Young

**Excused—1**

Vaughn

**Not Voting—0**

In The Chair: Schwarz

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

Senator Emmons moved that joint rule 9 be suspended to permit immediate consideration of the conference report relative to the following bill:

**House Bill No. 5650**

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

**House Bill No. 5650, entitled**

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

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

The Conference Report was read as follows:

**FIRST CONFERENCE REPORT**

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

**House Bill No. 5650, entitled**

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

Recommends:

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

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

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

**PART 1**

**LINE-ITEM APPROPRIATIONS**

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

**DEPARTMENT OF STATE POLICE**

**APPROPRIATION SUMMARY:**

Full-time equated unclassified positions .....	3.0	
Full-time equated classified positions .....	3,445.5	
<b>GROSS APPROPRIATION</b> .....		\$ 415,678,200
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		19,282,800
<b>ADJUSTED GROSS APPROPRIATION</b> .....		\$ 396,395,400
Federal revenues:		
Total federal revenues .....		45,570,500
Special revenue funds:		
Total local revenues .....		3,913,700
Total private revenues .....		0
Total other state restricted revenues .....		59,862,900
State general fund/general purpose .....		\$ 287,048,300

**Sec. 102. EXECUTIVE DIRECTION**

Full-time equated unclassified positions .....	3.0	
Full-time equated classified positions .....	36.0	
Unclassified positions .....		\$ 265,600
Executive direction—29.0 FTE positions .....		3,414,500
Auto theft prevention program—7.0 FTE positions .....		7,065,000
<b>GROSS APPROPRIATION</b> .....		\$ 10,745,100

Appropriated from:

Special revenue funds:		
Auto theft prevention fund .....		7,065,000
State general fund/general purpose .....		\$ 3,680,100

**Sec. 103. DEPARTMENTWIDE APPROPRIATIONS**

Special maintenance and utilities .....		\$ 479,400
Rent and building occupancy charges .....		8,556,000
Worker’s compensation .....		2,864,000
Fleet leasing .....		14,637,900
In-service training .....		850,000
Narcotics investigation funds .....		265,000
<b>GROSS APPROPRIATION</b> .....		\$ 27,652,300

Appropriated from:

Interdepartmental grant revenues:		
IDT, Michigan justice training fund .....		850,000
Federal revenues:		
Federal narcotics investigation revenues .....		95,000
Special revenue funds:		
Narcotics investigation revenues .....		170,000
State general fund/general purpose .....		\$ 26,537,300

**Sec. 104. SUPPORT SERVICES**

Full-time equated classified positions .....	158.5	
Human resources—35.5 FTE positions .....		\$ 2,645,000
Management services—60.0 FTE positions .....		4,019,600
Training administration—44.0 FTE positions .....		4,871,900
Communications—19.0 FTE positions .....		6,487,700
<b>GROSS APPROPRIATION</b> .....		\$ 18,024,200

For Fiscal Year  
Ending Sept. 30,  
2003

Appropriated from:	
Interdepartmental grant revenues:	
IDT, auto theft funds.....	\$ 21,000
IDG, training academy charges.....	2,726,400
Special revenue funds:	
Local - LEIN fees.....	31,900
Precision driving track fees.....	264,100
Narcotics investigation revenues.....	40,600
Motor carrier fees.....	125,500
State general fund/general purpose.....	\$ 14,814,700
<b>Sec. 105. HIGHWAY SAFETY PLANNING</b>	
Full-time equated classified positions.....25.0	
State program planning and administration—13.0 FTE positions.....	\$ 1,147,000
Grants to local governments and nonprofit organizations.....	4,500,000
Secondary road patrol program—1.0 FTE positions.....	12,506,600
Truck safety program—2.0 FTE positions.....	2,983,800
Field coordination and analysis—8.0 FTE positions.....	1,975,900
Highway traffic safety—1.0 FTE positions.....	3,973,800
GROSS APPROPRIATION.....	\$ 27,087,100
Appropriated from:	
Federal revenues:	
DOT.....	10,492,000
DOJ.....	560,000
Special revenue funds:	
Truck driver safety fund.....	2,983,800
Secondary road patrol and training fund.....	12,506,600
State general fund/general purpose.....	\$ 544,700
<b>Sec. 106. CRIMINAL JUSTICE INFORMATION CENTER</b>	
Full-time equated classified positions.....96.5	
Criminal justice information center division—78.0 FTE positions.....	\$ 7,566,700
Criminal records improvement—1.0 FTE positions.....	4,726,200
Traffic safety—17.5 FTE positions.....	1,518,900
GROSS APPROPRIATION.....	\$ 13,811,800
Appropriated from:	
Interdepartmental grant revenues:	
IDG-MDOS.....	313,600
IDG-MDOT, state trunkline fund.....	336,900
Federal revenues:	
DOJ.....	4,726,200
DOT.....	388,500
Special revenue funds:	
Criminal justice information center service fees.....	5,954,300
State general fund/general purpose.....	\$ 2,092,300
<b>Sec. 107. FORENSIC SCIENCES</b>	
Full-time equated classified positions.....215.0	
Laboratory operations—191.0 FTE positions.....	\$ 16,775,300
DNA analysis program—24.0 FTE positions.....	4,336,800
GROSS APPROPRIATION.....	\$ 21,112,100
Appropriated from:	
Federal revenues:	
DOJ.....	442,900
Special revenue funds:	
Forensic science reimbursement fees.....	1,626,400
State forensic laboratory fund.....	1,100,000
State general fund/general purpose.....	\$ 17,942,800

For Fiscal Year  
Ending Sept. 30,  
2003

**Sec. 108. MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS**

Full-time equated classified positions .....	28.0	
Standards and training—22.0 FTE positions .....		\$ 2,280,000
Training only to local units—2.0 FTE positions .....		690,000
Concealed weapons enforcement training .....		140,000
Officer’s survivor tuition program.....		50,000
Justice training grants—4.0 FTE positions.....		9,032,000
GROSS APPROPRIATION .....		\$ 12,192,000

Appropriated from:

Federal revenues:

DOJ .....		360,000
Special revenue funds:		
Secondary road patrol and training fund .....		690,000
Concealed weapons enforcement fee.....		140,000
Michigan justice training fund .....		9,032,000
Licensing fees .....		50,000
State general fund/general purpose .....		\$ 1,920,000

**Sec. 109. FIRE MARSHAL**

Full-time equated classified positions .....	55.0	
Fire marshal programs—44.0 FTE positions .....		\$ 3,929,400
Fire investigation training to locals.....		51,500
Fire fighters training council—11.0 FTE positions .....		1,728,400
GROSS APPROPRIATION .....		\$ 5,709,300

Appropriated from:

Federal revenues:

FEMA .....		150,000
DOT .....		85,000
State general fund/general purpose .....		\$ 5,474,300

**Sec. 110. EMERGENCY MANAGEMENT**

Full-time equated classified positions .....	49.0	
Emergency management planning and administration—32.0 FTE positions .....		\$ 2,930,000
Grants to local government .....		2,182,100
FEMA program assistance—3.0 FTE positions .....		962,300
Nuclear power plant emergency planning—6.0 FTE positions .....		1,209,200
Hazardous materials transportation—1.0 FTE positions.....		579,200
Hazardous materials programs—7.0 FTE positions.....		6,586,500
GROSS APPROPRIATION .....		\$ 14,449,300

Appropriated from:

Federal revenues:

FEMA .....		4,664,100
DOT .....		579,200
DOJ .....		5,000,000
Special revenue funds:		
Nuclear plant emergency planning reimbursement .....		1,209,200
Hazardous materials training center fees.....		1,253,800
State general fund/general purpose .....		\$ 1,743,000

**Sec. 111. UNIFORM SERVICES**

Full-time equated classified positions .....	2,049.5	
Uniform services—610.0 FTE positions .....		\$ 51,259,500
Security guards—29.0 FTE positions .....		1,039,900
Reimbursed services .....		1,598,000
At-post troopers—1,410.5 FTE positions .....		113,222,300
GROSS APPROPRIATION .....		\$ 167,119,700

Appropriated from:

Interdepartmental grant revenues:

IDG-MDMB, building occupancy charges .....		610,100
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	For Fiscal Year Ending Sept. 30, 2003
Federal revenues:	
DOJ .....	\$ 1,500,000
Special revenue funds:	
Highway safety fund .....	8,448,200
State police service fees .....	1,598,000
State general fund/general purpose .....	\$ 154,963,400
<b>Sec. 112. SPECIAL OPERATIONS</b>	
Full-time equated classified positions .....61.5	
Operational support—40.0 FTE positions .....	\$ 2,921,800
Traffic services—13.5 FTE positions .....	2,671,100
Aviation program—8.0 FTE positions .....	1,739,700
GROSS APPROPRIATION .....	\$ 7,332,600
Appropriated from:	
Interdepartmental grant revenues:	
IDG-MDOC, contract.....	77,200
Federal revenues:	
DOT .....	1,378,200
Special revenue funds:	
Rental of department aircraft .....	180,300
Drunk driving prevention and training fund .....	969,700
State general fund/general purpose .....	\$ 4,727,200
<b>Sec. 113. CRIMINAL INVESTIGATIONS</b>	
Full-time equated classified positions .....449.5	
Criminal investigations—335.5 FTE positions .....	\$ 32,499,500
Federal antidrug initiatives—72.0 FTE positions .....	10,124,200
Reimbursed services, materials, and equipment .....	2,332,900
Auto theft prevention—10.0 FTE positions.....	1,372,100
Casino gaming oversight—32.0 FTE positions .....	3,513,000
GROSS APPROPRIATION .....	\$ 49,841,700
Appropriated from:	
Interdepartmental grant revenues:	
IDT, auto theft funds.....	1,104,000
IDG-MDTR, casino gaming fees.....	3,513,000
IDG-MDCH, tobacco tax .....	610,000
Federal revenues:	
Federal investigations - reimbursed services .....	519,700
DOJ .....	7,506,700
Federal narcotics investigation revenues .....	380,800
Special revenue funds:	
Local - reimbursed services .....	1,813,200
Narcotics investigation revenues .....	543,000
Forfeiture funds .....	269,500
State general fund/general purpose .....	\$ 33,581,800
<b>Sec. 114. MOTOR CARRIER ENFORCEMENT</b>	
Full-time equated classified positions .....222.0	
Motor carrier enforcement—140.0 FTE positions .....	\$ 10,125,900
Truck safety enforcement team operations.....	1,060,000
Safety inspections—46.0 FTE positions.....	6,928,500
School bus inspections—16.0 FTE positions .....	1,475,300
Safety projects—5.0 FTE positions.....	1,242,200
GROSS APPROPRIATION .....	\$ 20,831,900
Appropriated from:	
Interdepartmental grant revenues:	
IDT, truck safety fund.....	1,132,100
IDG-MDOT, state trunkline fund .....	7,883,200
Federal revenues:	
DOT .....	6,712,600

	For Fiscal Year Ending Sept. 30, 2003
Special revenue funds:	
Motor carrier fees .....	\$ 3,628,700
State general fund/general purpose .....	\$ 1,475,300
<b>Sec. 115. INFORMATION TECHNOLOGY</b>	
Information technology services and projects .....	\$ 22,668,600
<b>GROSS APPROPRIATION</b> .....	<b>\$ 22,668,600</b>
Appropriated from:	
Interdepartmental grants revenues:	
IDT-MDTR, casino gaming fees .....	72,100
IDG-MDOT, state trunkline fund .....	33,200
Federal revenues:	
DOT .....	29,600
Special revenue funds:	
Local - LEIN fees .....	2,035,600
Local - AFIS fees .....	33,000
Motor carrier fees .....	14,200
State general fund/general purpose .....	\$ 20,450,900
<b>Sec. 116. BUDGETARY SAVINGS</b>	
Budgetary savings .....	\$ (2,899,500)
<b>GROSS APPROPRIATION</b> .....	<b>\$ (2,899,500)</b>
Appropriated from:	
State general fund/general purpose .....	\$ (2,899,500)

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2002-2003 is \$346,911,200.00 and state spending from state resources to be paid to local units of government for fiscal year 2002-2003 is \$19,968,100.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF STATE POLICE

OFFICE OF HIGHWAY SAFETY PLANNING

Secondary road patrol program .....	\$ 12,381,500
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COMMISSION ON LAW ENFORCEMENT STANDARDS

Training only to local units .....	\$ 624,900
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Justice training grants .....	6,471,200
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FIRE MARSHAL

Fire fighters training council .....	\$ 439,000
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Fire investigation training for locals .....	51,500
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Total .....	<u>\$ 19,968,100</u>
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Sec. 202. The appropriations authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this act:

- (a) "AFIS" means the automated fingerprint identification system.
- (b) "Department" means the department of state police.
- (c) "DNA" means deoxyribonucleic acid.
- (d) "DOJ" means the United States department of justice.
- (e) "DOT" means the United States department of transportation.
- (f) "FEMA" means the federal emergency management agency.
- (g) "FTE" means full-time equated.
- (h) "IDG" means interdepartmental grant.
- (i) "IDT" means intradepartmental transfer.
- (j) "LEIN" means law enforcement information network.
- (k) "MCOLES" means the Michigan commission on law enforcement standards.
- (l) "MDCH" means the Michigan department of community health.
- (m) "MDMB" means the Michigan department of management and budget.
- (n) "MDOC" means the Michigan department of corrections.

- (o) "MDOS" means the Michigan department of state.
- (p) "MDOT" means the Michigan department of transportation.
- (q) "MDTR" means the Michigan department of treasury.

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

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

(2) The state budget director shall grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, cause loss of revenue to the state, result in the inability of the state to receive federal funds, or necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report by the last business day 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 justification for the exception.

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$3,500,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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, for the department. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies, or both.

Sec. 211. It is the intent of the legislature that personnel of the department who request and are eligible for reimbursement of expenses related to the operation of the department be reimbursed from the appropriations provided in this act within 30 days after submitting a request, or the eligible personnel shall be paid an additional amount equal to 0.75% of the payment due. The department shall pay an additional amount equal to 0.75% of the payment due for the first month and each succeeding month or portion of a month the payment remains past due.

Sec. 212. Of the state general fund/general purpose revenue appropriated in this act, \$74,843,500.00 represents a state spending increase over the amount provided to the department of state police for the fiscal year ending September 30, 1994, and may be used to meet state match requirements of programs contained in the violent crime control and law enforcement act of 1994, Public Law 103-322, 108 Stat. 1796, or successor grant programs, so that any additional federal money received supplements funding provided to the department of state police in this act.

Sec. 216. (1) It is the intent of the legislature that the department shall not provide any subsidy for contractual services it provides.

(2) When the department provides contractual services to a local unit of government, the department shall be reimbursed for all costs incurred in providing the services, including, but not limited to, retirement and overtime costs.

(3) Contractual services provided to an entity other than a local unit of government may be provided by department personnel, but only on an overtime basis outside the normal work schedule of the personnel.

(4) This section does not apply to state agencies.

Sec. 218. The department shall create and retain copies of reports for all money appropriated under part 1.

Sec. 219. Not later than March 15, 2003 and September 30, 2003, the department shall report to the state police appropriations subcommittees of the house and senate and the house and senate fiscal agencies. The report shall contain the following information regarding the department's activities related to casino gaming oversight:

- (a) The amount of money received and expended.
- (b) The nature and structure of the casino gaming oversight unit.
- (c) The positions and classifications of employees assigned.
- (d) The number of full-time and part-time employees and the aggregate number of FTEs.
- (e) The number of enlisted and civilian positions.
- (f) The duties and responsibilities of the assigned employees.
- (g) The immediate past position of the enlisted employees assigned.

Sec. 220. The department shall collect and computerize the vehicle identification number (VIN) of all vehicles that are entered into the state accident data collection system and make this and other vehicle information available to the public at cost. For bulk access to the accident records in which the VIN has been collected and computerized, the department shall make those records available to the public at cost, provided that the name and address have been excluded.

Sec. 221. From the funds appropriated in part 1, the department shall maintain a toll-free hotline in collaboration with the department of education. The toll-free hotline shall be operated 24 hours per day, 7 days per week, and shall provide students, school officials, and other individuals an opportunity to report specific threats of imminent school violence or other suspicious or criminal conduct by juveniles to the appropriate local law enforcement entities for investigation. The department may expend funds for the promotion of the hotline.

Sec. 222. (1) Funds appropriated in part 1 for at-post troopers shall only be expended for trooper salaries, wages, benefits, retirement, equipment, supplies, and other expenses directly related to state troopers assigned to general law enforcement duties at a department post, detachment, satellite office, or a resident trooper function.

(2) From the funds appropriated in part 1 for at-post troopers, 1 or more trooper recruit schools shall be conducted during fiscal year 2002-2003 with the goal of graduating at least 110 new troopers to state service to replace existing troopers projected to separate from the rank of trooper through attrition.

(3) The department shall submit a written report to the senate and house appropriations subcommittees on state police and military affairs no later than November 15, 2002, detailing the status of the department's plan for accomplishing the goal of subsection (2). If the department determines that insufficient funding exists under part 1 for at-post troopers or any other budget line to accomplish the goal of subsection (2), the department shall submit a plan outlining the additional funding necessary to accomplish the goal of subsection (2).

Sec. 224. The department of state police shall notify the house and senate appropriations subcommittees on state police and military and veterans affairs and the house and senate fiscal agencies not less than 180 days before recommending to close or consolidate any state police posts.

Sec. 261. (1) The negative appropriation for budgetary savings in part 1 shall be satisfied by savings from the hiring freeze imposed under section 205, efficiencies, and other savings identified by the department director and approved by the state budget director.

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

Sec. 262. (1) It is the intent of the legislature that the department take steps to engage in cooperative efforts with county, city, township, and village law enforcement agencies in the coordination of law enforcement services and facilities.

(2) From the funds appropriated in part 1, the department shall produce a study concerning the feasibility of the Jackson state police post, the Jackson County sheriff's department, and the city of Jackson police department sharing a common facility. The study shall also examine other ways these law enforcement agencies could work together to maximize the efficient delivery of law enforcement services. The study shall be delivered to the senate and house appropriations subcommittees on state police and military affairs not later than February 15, 2003.

Sec. 263. The department of state police, in keeping with its role as the general law enforcement agency of the state and as the law enforcement agency of last resort for communities that are either without local law enforcement resources or are seriously underserved by local law enforcement resources, shall provide general law enforcement assistance to the city of Highland Park until adequate law enforcement services can be provided to the city of Highland Park by other means.

Sec. 264. Of the funds appropriated in part 1 for rent and building occupancy charges, funds shall be used for the necessary rental costs for a state police post in Marshall.

#### **INFORMATION TECHNOLOGY**

Sec. 301. (1) Money appropriated under part 1 for the Michigan public safety communications system shall be expended upon approval of an expenditure plan by the state budget director.

(2) The department of state police shall assess all subscribers of the Michigan public safety communications system reasonable access and maintenance fees.

(3) All money received by the department of state police under this section shall be deposited to the state general fund pursuant to section 443 of the management and budget act, 1984 PA 431, MCL 18.1443.

(4) The department of state police shall provide a report to the house and senate appropriations committees, house and senate fiscal agencies, and the state budget director on April 15, 2003 and on October 15, 2003, indicating the amount of revenue collected under this section and deposited to the state general fund for the immediately preceding 6-month period.

Sec. 302. The money appropriated in part 1 for computer services shall be funded by LEIN user fees sufficient to pay 1/3 of the service and contract maintenance costs of the LEIN mainframe computer system.

Sec. 303. From the funds appropriated in part 1 for information technology, the department shall pay user fees to the department of information technology for technology related services and projects. User fees shall be subject to provisions of an interagency agreement between the department and the department of information technology.

Sec. 304. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 305. A portion of the funds appropriated in part 1 shall be used by the department to produce a written report detailing departmental policies regarding access to and use of information from the LEIN system. The report shall include a description of departmental measures to protect the security of information in the LEIN system including safeguards that would prevent unauthorized persons from obtaining information from the LEIN system. The department shall submit a copy of this report to the senate and house appropriations committees not later than April 1, 2003.

Sec. 306. The criminal justice information systems policy council shall encourage members of the law enforcement agencies in the state to be sensitive to, and note when necessary, activities or circumstances that may suggest the unauthorized access or misuse of information from the LEIN system. The criminal justice information systems policy council shall advise LEIN auditors, as a part of their audit of law enforcement agencies, to investigate in depth all suspected incidents of improper access or improper use of information from the LEIN system and determine whether or not those incidents were illegal. In those incidents that may be determined to be illegal, the executive secretary for the council shall determine whether those incidents were of a negligent or criminal nature. If an incident is determined to be an illegal act, the council shall inform the chairs of both the senate and house appropriations committees.

Sec. 307. (1) The department of state police, working with the criminal justice information system policy council, shall implement procedures by which all probation information is placed on the LEIN system. The LEIN system shall include information on each probationer, including any probation conditions placed on a probationer and the name of the probation officer assigned to a probationer. The LEIN system shall also include any nonstandard probation terms.

(2) If the department determines that amendments to the code of criminal procedure, 1927 PA 175, MCL 760.1 to 777.69, are required to include all probation information on the LEIN system, the department shall deliver to members of the senate and house appropriations subcommittees on state police and military affairs amendments to the code of criminal procedure, 1927 PA 175, MCL 760.1 to 777.69, that, in the department's view, are necessary to accomplish this goal. These proposed amendments shall be delivered to subcommittee members not later than December 1, 2002.

#### **HIGHWAY SAFETY PLANNING**

Sec. 401. On a quarterly basis, the department shall report to the senate and house appropriations subcommittees on state police and military affairs on the status of assessments collected and authorized under section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e, for the purposes of supporting the secondary road patrol grant program. Each quarterly report shall contain updated information on collection levels, revised projected grant allotments to counties for the year, a comparison of projected collections and grant distribution levels with the funds appropriated in part 1 for the secondary road patrol program, and the extent collection levels have exceeded or failed to meet appropriated levels for the current fiscal year or expenditure levels from the previous fiscal year.

#### **FORENSIC SCIENCES**

Sec. 701. (1) Subject to subsection (4), in addition to the funds appropriated under part 1, the following amounts are appropriated for the fiscal year ending September 30, 2003:

(a) \$431,400.00 is appropriated to the Detroit police department crime laboratory from the state general fund.

(b) \$289,700.00 is appropriated to the Detroit police department special events account from the state general fund.

(2) From the funds appropriated for the Detroit police department crime laboratory, it is the intent of the legislature that the city of Detroit take effective measures so that within 3 years of the start of the 2002-2003 fiscal year the Detroit police laboratory will have earned accreditation from the American society of crime laboratory director's laboratory accreditation board and established the necessary standards within its DNA operations so that it will qualify to input data into the combined DNA identification system (CODIS).

(3) The city of Detroit shall provide a written report to the department which shall include details regarding the expenditures made from the funds appropriated under subsection (1) and a progress report detailing the status toward meeting the objectives under subsection (2). This report shall be forwarded by the department to the house and senate appropriations subcommittees on state police and military affairs, the house and senate fiscal agencies, and the state budget director by January 15, 2003.

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

Sec. 702. (1) The department shall distribute a copy of the department's protocol for retaining and purging DNA analysis samples and records to each police agency in this state.

(2) The department shall report to the house and senate appropriations subcommittees on state police and military affairs and the house and senate fiscal agencies when any changes to the department's DNA protocol are made.

Sec. 703. The department shall work with the department of community health, the Michigan hospital association, the Michigan state medical society, and the Michigan nurses association to ensure that the recommendations included in the "Standard Recommended Procedures for the Emergency Treatment of Sexual Assault Victims" are followed in the collection of evidence.

#### **MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS**

Sec. 801. The money appropriated to the MCOLES for maintenance and delivery of training to locals is provided in accordance with a state reimbursement policy in which 100% of the determined state reimbursement rate shall be distributed upon certification by the MCOLES.

Sec. 803. From the appropriations in part 1 for the training of new state troopers and other new police officers in the state and for the continuing education of all law enforcement officers in the state, sufficient funds shall be used to include curricula on the content and application of federal firearms laws, including the procedures necessary for law enforcement to turn appropriate cases over to the federal bureau of alcohol, tobacco, and firearms or any other applicable federal criminal justice agency.

#### **FIRE MARSHAL**

Sec. 901. (1) The department shall prepare a detailed report and deliver it to the senate and house subcommittees on the state police not later than May 15, 2003.

(2) The report shall contain input from a delegate appointed from and by the following organizations:

- (a) Michigan fire chiefs association.
- (b) Michigan state fireman's association.
- (c) Michigan firefighter's union.
- (d) Michigan fire service instructors association.
- (e) Michigan fire inspectors society.
- (f) Michigan chapter of the international association of arson investigators.

(3) The report shall contain information about the quality and adequacy of service from the state fire investigation, education, and training under the reorganization of the fire marshal division responsibilities. The report shall be based on the performance of the fire marshal division in the performance of its fire safety duties during fiscal year 2002-2003.

#### **EMERGENCY MANAGEMENT**

Sec. 1001. (1) The state director of emergency management may expend money appropriated under this act to call upon any agency or department of the state or any resource of the state to protect life or property or to provide for the health or safety of the population in any area of the state in which the governor proclaims a state of emergency or state of disaster under 1945 PA 302, MCL 10.31 to 10.33, or under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. The state director of emergency management may expend the amounts the director considers necessary to accomplish these purposes. The director shall submit to the state budget director as soon as possible a complete report of all actions taken under the authority of this section. The report shall contain, as a separate item, a statement of all money expended that is not reimbursable from federal money. The state budget director shall review the expenditures and submit recommendations to the legislature in regard to any possible need for a supplemental appropriation.

(2) In addition to the money appropriated in this act, the department may receive and expend money from local, private, federal, or state sources for the purpose of providing emergency management training to local or private interests and for the purpose of supporting emergency preparedness, response, recovery, and mitigation activity. If funds are expended beyond the appropriations enacted for these purposes in part 1, the department shall notify the house and senate appropriations subcommittees on state police and military and veterans affairs and the house and senate fiscal agencies within 30 days concerning the additional expenditures.

#### **UNIFORM SERVICES**

Sec. 1103. State police enlisted personnel who are employed to enforce traffic laws as provided in section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e, shall not be prohibited from responding to crimes in progress or other emergency situations, and are responsible for protecting every citizen of this state from harm.

**SPECIAL OPERATIONS**

Sec. 1201. In addition to the appropriations in section 112 to the department of state police for the aviation program, the department is authorized to sell its aircraft and the proceeds from the sale are appropriated and may be applied to the renovation cost of replacement aircraft. If funds are expended beyond the appropriation enacted in part 1 for the aviation program, the department shall notify the house and senate subcommittees on state police and military and veterans affairs and the house and senate fiscal agencies within 30 days concerning the additional expenditures.

Sec. 1202. From the funds appropriated in part 1 for special operations, the department shall fund 1/3 of the cost of an aeronautics safety officer position within the department of transportation to coordinate safety functions between the department, the state transportation department, and the department of natural resources. It is the intent of the legislature that the safety officer position shall be equally funded by the 3 departments.

Sec. 1203. From the funds appropriated in part 1 for special operations, the department shall station at least 1 recovery boat within the Upper Peninsula from its fleet of recovery boats.

**CRIMINAL INVESTIGATIONS**

Sec. 1301. (1) There is sufficient money appropriated in section 113 to criminal investigations to ensure that the citizens in a service area of any state police post in the vicinity of a state prison do not experience a downgrading of state police services in their area. Criminal investigations shall be available by temporary or permanent assignment of a detective when either a temporary or permanent prison facility is opened.

(2) If the department is unable to comply with subsection (1) and there is a prison scheduled to open, the department shall provide troopers to serve as investigators on an interim basis.

**MOTOR CARRIER ENFORCEMENT**

Sec. 1401. (1) The department shall report to the house and senate appropriations subcommittees on state police and the house and senate fiscal agencies by March 1, 2003 regarding the inspection of school buses and other motor vehicles under section 715a of the Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of the pupil transportation act, 1990 PA 187, MCL 257.1839. The report shall include the following information regarding inspections conducted in calendar year 2002:

- (a) The number of buses and vehicles inspected by the department.
- (b) The number of buses and vehicles passing and failing inspection.
- (c) The estimated number of buses and vehicles not inspected.

(2) If each school bus within a school system receives a 100% successful state inspection on its first inspection in a given year, the department shall award a certificate to that school system.

Sec. 1402. (1) It is the intent of the legislature that funds appropriated for the motor carrier enforcement division be used to the maximum extent possible for the enforcement of motor carrier laws and regulations, particularly for the acquisition of equipment, modern technology, and personnel to do the job.

(2) The department shall submit a written report to the senate and house appropriations subcommittees on state police by November 15, 2002, detailing the department's allocation plan for funds appropriated for motor carrier enforcement for fiscal year 2002-2003. Included in the report shall be the allocation plan for any funds and FTEs appropriated by the legislature which were of a greater amount than contained in the governor's recommendation for fiscal year 2002-2003.

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

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

Cameron Brown  
John Pappageorge  
Conferees for the House

George A. McManus, Jr.  
Walter North  
Conferees for the Senate

The question being on the adoption of the conference report,

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

**Roll Call No. 803**

**Yeas—24**

Bennett  
Bullard

Gast  
Gougeon

McManus  
Miller

Schwarz  
Scott

DeGrow  
Dunaskiss  
Emmons  
Garcia

Hammerstrom  
Hoffman  
Johnson  
McCotter

North  
Peters  
Sanborn  
Schuette

Sikkema  
Steil  
Stille  
Van Regenmorter

#### Nays—13

Byrum  
Cherry  
DeBeaussaert  
Dingell

Emerson  
Goschka  
Hart

Koivisto  
Leland  
Murphy

Shugars  
Smith  
Young

#### Excused—1

Vaughn

#### Not Voting—0

In The Chair: Schwarz

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

#### Protest

Senator Byrum, under her constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the conference report relative to House Bill No. 5650.

Senator Byrum's statement is as follows:

I placed on your desks for review a copy of an article from last week's *Lansing State Journal*. The article highlights the underfunding of the State Police crime lab and the problems they are in.

I am very disheartened by this story. It highlights the continued underfunding of the lab. I brought this problem to the Legislature's attention in years past and had even offered amendments to address the problem. Each time the amendments have been defeated, and I was told that the funding was adequate. The problem has now escalated with the requirement that the DNA of all felonies be tested. Lab officials reported that they needed at least 20 new scientists in order to meet the demand. They are currently able to process only 25 percent of the workload. This backlog is a backlog to justice. Local law enforcement agencies are now not able to adequately do their jobs, and they must wait months before criminal evidence is tested. The result is crimes go unsolved, and the public confidence in our law enforcement capabilities decreases. We cannot afford to allow this backlog of justice to continue.

Senator Emmons moved that joint rule 9 be suspended to permit immediate consideration of the conference report relative to the following bill:

#### House Bill No. 5651

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

#### House Bill No. 5651, entitled

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

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

The Conference Report was read as follows:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning **House Bill No. 5651, entitled**

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

Recommends:

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

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

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

PART 1

LINE-ITEM APPROPRIATIONS

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

**STATE TRANSPORTATION DEPARTMENT**

APPROPRIATION SUMMARY:

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	3,069.3	
<b>GROSS APPROPRIATION .....</b>		<b>\$ 3,125,181,500</b>
Total interdepartmental grants and intradepartmental transfers .....		0
<b>ADJUSTED GROSS APPROPRIATION .....</b>		<b>\$ 3,125,181,500</b>
Federal revenues:		
DOT-federal transit act.....		47,550,000
DOT-FHWA, highway research, planning, and construction.....		936,526,100
DOT-FRA, local rail service assistance.....		100,000
DOT-FRA, rail passenger/HSGT.....		3,000,000
Total federal revenues .....		987,176,100
Special revenue funds:		
Total local revenues .....		5,800,000
Total private revenues .....		0
Total local and private revenues .....		5,800,000
Michigan transportation fund.....		1,093,043,700
Economic development fund.....		57,315,000
State trunkline fund .....		713,370,400
State aeronautics fund.....		12,107,800
Comprehensive transportation fund.....		239,751,000
Blue Water Bridge fund .....		13,617,500
Intercity bus equipment fund .....		1,000,000
Rail preservation fund.....		2,000,000
Total other state restricted revenues .....		2,132,205,400
State general fund/general purpose .....		\$ 0
<b>Sec. 102. DEBT SERVICE</b>		
State trunkline.....		\$ 91,903,200
Economic development .....		13,928,900
Critical bridge.....		3,000,000
Blue Water Bridge.....		2,308,100

	For Fiscal Year Ending Sept. 30, 2003
Airport safety and protection plan.....	\$ 5,000,000
Comprehensive transportation .....	21,491,900
<b>GROSS APPROPRIATION .....</b>	<b>\$ 137,632,100</b>
Appropriated from:	
Federal revenues:	
DOT-FHWA highway research, planning, and construction.....	21,000,000
Special revenue funds:	
Comprehensive transportation fund.....	21,491,900
Michigan transportation fund.....	3,000,000
State trunkline fund .....	70,903,200
Blue Water Bridge fund .....	2,308,100
Economic development fund.....	13,928,900
State aeronautics fund.....	5,000,000
State general fund/general purpose .....	\$ 0
<b>Sec. 103. INTERDEPARTMENT AND STATUTORY CONTRACTS</b>	
MTF grant to department of environmental quality.....	\$ 884,800
MTF grant to department of state for collection of revenue and fees.....	90,430,700
MTF grant to department of state for commemorative and specialty plates .....	4,069,300
MTF grant to legislative auditor general.....	138,000
MTF grant to department of treasury .....	10,225,000
STF grant to department of attorney general.....	2,566,200
STF grant to department of civil service.....	2,000,000
STF grant to department of management and budget .....	1,133,900
STF grant to department of state police .....	8,253,300
STF grant to department of treasury .....	29,100
STF grant to legislative auditor general .....	404,200
SAF grant to department of attorney general .....	125,400
SAF grant to department of civil service .....	50,000
SAF grant to department of management and budget.....	27,900
SAF grant to department of treasury .....	64,100
SAF grant to legislative auditor general.....	17,100
CTF grant to department of attorney general .....	131,500
CTF grant to department of civil service .....	90,000
CTF grant to department of management and budget.....	49,900
CTF grant to department of treasury .....	5,300
CTF grant to legislative auditor general.....	48,200
<b>GROSS APPROPRIATION .....</b>	<b>\$ 120,743,900</b>
Appropriated from:	
Special revenue funds:	
Comprehensive transportation fund.....	324,900
Michigan transportation fund .....	105,747,800
State aeronautics fund.....	284,500
State trunkline fund .....	14,386,700
State general fund/general purpose .....	\$ 0
<b>Sec. 104. EXECUTIVE DIRECTION</b>	
Full-time equated unclassified positions .....	6.0
Full-time equated classified positions .....	33.3
Unclassified salaries .....	\$ 532,200
State transportation commission (per diem payments) .....	10,000
Commission audit—33.3 FTE positions.....	2,983,000
<b>GROSS APPROPRIATION .....</b>	<b>\$ 3,525,200</b>
Appropriated from:	
Special revenue funds:	
State trunkline fund .....	3,525,200
State general fund/general purpose .....	\$ 0

For Fiscal Year  
Ending Sept. 30,  
2003

**Sec. 105. ADMINISTRATIVE SERVICES**

Full-time equated classified positions .....	106.0	
Administration—66.0 FTE positions .....		\$ 5,934,700
Property management.....		7,237,300
Human resources—31.0 FTE positions .....		2,478,300
Economic development administration—9.0 FTE positions .....		759,500
Worker's compensation .....		2,966,000
GROSS APPROPRIATION .....		\$ 19,375,800
Appropriated from:		
Special revenue funds:		
Economic development fund .....		500,700
State aeronautics fund .....		657,400
Comprehensive transportation fund .....		1,599,000
Michigan transportation fund .....		77,100
State trunkline fund .....		16,541,600
State general fund/general purpose .....		\$ 0
<b>Sec. 106. INFORMATION TECHNOLOGY</b>		
Information technology services and projects .....		\$ 26,396,400
GROSS APPROPRIATION .....		\$ 26,396,400

Appropriated from:

Federal revenues:

DOT-FHWA highway research, planning, and construction.....		640,000
Special revenue funds:		
Blue Water Bridge fund .....		43,900
Comprehensive transportation fund .....		240,900
Economic development fund .....		37,100
Michigan transportation fund .....		35,200
State aeronautics fund .....		134,500
State trunkline fund .....		25,264,800
State general fund/general purpose .....		\$ 0

**Sec. 107. BUREAU OF FINANCE AND ADMINISTRATION**

Full-time equated classified positions .....	237.0	
Administration—237.0 FTE positions .....		\$ 19,758,200
GROSS APPROPRIATION .....		\$ 19,758,200
Appropriated from:		
Special revenue funds:		
Michigan transportation fund .....		1,127,500
State trunkline fund .....		18,630,700
State general fund/general purpose .....		\$ 0

**Sec. 108. BUREAU OF TRANSPORTATION PLANNING**

Full-time equated classified positions .....	175.0	
Administration—175.0 FTE positions .....		\$ 22,254,900
Grants to regional planning councils.....		488,800
GROSS APPROPRIATION .....		\$ 22,743,700

Appropriated from:

Federal revenues:

DOT-FHWA highway research, planning, and construction.....		14,566,800
Special revenue funds:		
State aeronautics fund .....		200,800
Comprehensive transportation fund .....		1,168,000
Michigan transportation fund .....		4,760,900
State trunkline fund .....		2,047,200
State general fund/general purpose .....		\$ 0

**Sec. 109. BUREAU OF HIGHWAYS**

Full-time equated classified positions .....	1,625.4	
Engineering operations—799.4 FTE positions .....		\$ 31,796,800

	For Fiscal Year Ending Sept. 30, 2003
Maintenance operations—78.0 FTE positions .....	\$ 7,071,200
Program services—748.0 FTE positions .....	39,004,800
<b>GROSS APPROPRIATION</b> .....	<b>\$ 77,872,800</b>
Appropriated from:	
Federal revenues:	
DOT-FHWA highway research, planning, and construction.....	5,000,000
Special revenue funds:	
Michigan transportation fund .....	4,155,900
State trunkline fund .....	68,716,900
State general fund/general purpose .....	\$ 0
<b>Sec. 110. HIGHWAY MAINTENANCE</b>	
Full-time equated classified positions .....699.6	
State trunkline operations—699.6 FTE positions .....	\$ 99,057,900
Contract operations .....	133,853,200
<b>GROSS APPROPRIATION</b> .....	<b>\$ 232,911,100</b>
Appropriated from:	
Special revenue funds:	
State trunkline fund .....	232,911,100
State general fund/general purpose .....	\$ 0
<b>Sec. 111. ROAD AND BRIDGE PROGRAMS</b>	
State trunkline federal aid and road and bridge construction .....	\$ 921,880,300
Local federal aid and road and bridge construction.....	215,132,000
Grants to local programs.....	33,000,000
Rail grade crossing .....	3,000,000
Critical bridge fund.....	29,750,000
County road commissions .....	597,971,700
Cities and villages.....	333,396,100
<b>GROSS APPROPRIATION</b> .....	<b>\$ 2,134,130,100</b>
Appropriated from:	
Federal revenues:	
DOT-FHWA, highway research, planning, and construction.....	895,319,300
Special revenue funds:	
Local funds .....	5,000,000
Blue Water Bridge fund .....	1,000,000
Michigan transportation fund .....	972,367,800
State trunkline fund .....	260,443,000
State general fund/general purpose .....	\$ 0
<b>Sec. 112. BLUE WATER BRIDGE</b>	
Full-time equated classified positions .....33.0	
Blue Water Bridge operations—33.0 FTE positions .....	\$ 10,265,500
<b>GROSS APPROPRIATION</b> .....	<b>\$ 10,265,500</b>
Appropriated from:	
Special revenue funds:	
Blue Water Bridge fund .....	10,265,500
State general fund/general purpose .....	\$ 0
<b>Sec. 113. TRANSPORTATION ECONOMIC DEVELOPMENT FUND</b>	
Forest roads .....	\$ 5,040,000
Rural county urban system.....	2,500,000
Target industries/economic redevelopment.....	19,404,300
Urban county congestion .....	7,952,000
Rural county primary .....	7,952,000
<b>GROSS APPROPRIATION</b> .....	<b>\$ 42,848,300</b>
Appropriated from:	
Special revenue funds:	
Economic development fund .....	42,848,300
State general fund/general purpose .....	\$ 0

For Fiscal Year  
Ending Sept. 30,  
2003

<b>Sec. 114. BUREAU OF AERONAUTICS</b>	
Full-time equated classified positions .....	56.0
Administration—56.0 FTE positions .....	\$ 5,530,600
Air service program .....	300,000
<b>GROSS APPROPRIATION</b> .....	<b>\$ 5,830,600</b>
Appropriated from:	
Special revenue funds:	
State aeronautics fund .....	5,830,600
State general fund/general purpose .....	\$ 0
<b>Sec. 115. BUREAU OF URBAN AND PUBLIC TRANSPORTATION</b>	
Full-time equated classified positions .....	104.0
Administration—104.0 FTE positions .....	\$ 8,725,400
<b>GROSS APPROPRIATION</b> .....	<b>\$ 8,725,400</b>
Appropriated from:	
Special revenue funds:	
Comprehensive transportation fund .....	6,953,900
Michigan transportation fund .....	1,771,500
State general fund/general purpose .....	\$ 0
<b>Sec. 116. BUS TRANSIT DIVISION: STATUTORY OPERATING</b>	
Local bus operating .....	\$ 160,000,000
Nonurban operating/capital .....	10,300,000
<b>GROSS APPROPRIATION</b> .....	<b>\$ 170,300,000</b>
Appropriated from:	
Federal revenues:	
DOT-federal transit act .....	10,100,000
Special revenue funds:	
Comprehensive transportation fund .....	160,000,000
Local funds .....	200,000
State general fund/general purpose .....	\$ 0
<b>Sec. 117. INTERCITY PASSENGER AND FREIGHT</b>	
Freight property management .....	\$ 1,500,000
Detroit/Wayne County port authority .....	500,000
Intercity bus equipment .....	3,000,000
Rail passenger service .....	11,300,000
Freight preservation and development .....	5,692,900
Rail infrastructure loan program .....	100,000
Intercity bus service development .....	2,850,000
Marine passenger service .....	800,000
Terminal development .....	2,884,800
<b>GROSS APPROPRIATION</b> .....	<b>\$ 28,627,700</b>
Appropriated from:	
Federal revenues:	
DOT-federal transit act .....	1,500,000
DOT-FRA, local rail service assistance .....	100,000
DOT-FRA, rail passenger/HSGT .....	3,000,000
Special revenue funds:	
Rail preservation fund .....	2,000,000
Intercity bus equipment fund .....	1,000,000
Comprehensive transportation fund .....	20,977,700
Local funds .....	50,000
State general fund/general purpose .....	\$ 0
<b>Sec. 118. PUBLIC TRANSPORTATION DEVELOPMENT</b>	
Specialized services .....	\$ 3,939,500
Municipal credit program .....	2,000,000
Bus capital .....	48,849,500
Ride sharing .....	330,700

	For Fiscal Year Ending Sept. 30, 2003
Van pooling.....	\$ 195,000
Bus property management.....	50,000
Service development and new technology.....	1,550,000
Planning grants .....	80,000
Audit settlements .....	150,000
Regional service coordination.....	500,000
Work first initiative.....	5,850,000
<b>GROSS APPROPRIATION .....</b>	<b>\$ 63,494,700</b>
Appropriated from:	
Federal revenues:	
DOT-federal transit act.....	35,950,000
Special revenue funds:	
Comprehensive transportation fund.....	26,994,700
Local funds .....	550,000
State general fund/general purpose .....	\$ 0

**PART 2  
PROVISIONS CONCERNING APPROPRIATIONS**

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2002-2003 is \$2,132,205,400.00 and state spending from state resources to be paid to local units of government for fiscal year 2002-2003 is \$1,176,250,300.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

**DEPARTMENT OF TRANSPORTATION**

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

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

Sec. 203. As used in this act:

- (a) "CTF" means comprehensive transportation fund.
- (b) "Department" means the department of transportation.
- (c) "DOT" means the United States department of transportation.
- (d) "DOT-FHWA" means DOT, federal highway administration.
- (e) "DOT-FRA" means DOT, federal railroad administration.
- (f) "DOT-FRA, rail passenger/HSGT" means DOT, federal railroad administration, high-speed ground transportation.
- (g) "EDF" means economic development fund.
- (h) "FTE" means full-time equated.
- (i) "MTF" means Michigan transportation fund.
- (j) "RIF" means recreation improvement fund.
- (k) "SAF" means state aeronautics fund.
- (l) "STF" means state trunkline fund.

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

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

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

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$40,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

Sec. 207. At least 90 days before beginning any effort to privatize, the department shall submit a complete project plan to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies within 30 months. As used in this section, "privatize" or "privatization" means the transfer of state highway maintenance functions or activities currently performed by department forces, or by boards of county road commissioners, county boards of commissioners, or local units of government under contract with the department, to private contractors.

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

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

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

Sec. 211. The departments and state agencies receiving appropriations under this act shall receive and retain copies of all reports funded from appropriations in part 1. These departments and state agencies shall follow federal and state guidelines for short-term and long-term retention of these reports and records.

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

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

#### **DEPARTMENTAL SECTIONS**

Sec. 301. (1) The department may establish a fee schedule and collect fees sufficient to cover the costs to issue the permits that the department is authorized by law to issue upon request, and for which fees are not otherwise stipulated by law. All permit fees are nonrefundable application fees and shall be credited to the state trunkline fund to recover the direct and indirect costs of receiving, reviewing, and processing the requests.

(2) A bridge authority shall hold 3 public hearings on a change in any toll charged by the authority at least 30 days before the toll change will become effective. Two of the hearings shall be held within 5 miles of the bridge over which the bridge authority has jurisdiction. One hearing shall be held in Lansing.

Sec. 303. On request, the department shall provide to a legislator, in writing, a report on the amount of money to be received by each city and village and the county road commission of each county, that is included in whole or in part within the legislator's legislative district.

Sec. 304. If, as a requirement of bidding on a highway project, the department requires a contractor to submit financial or proprietary documentation as to how the bid was calculated, that bid documentation shall be kept confidential and shall not be disclosed other than to a department representative without the contractor's written consent. The department may disclose the bid documentation if necessary to address or defend a claim by a contractor.

Sec. 305. The department may permit space on public passenger transportation properties to be occupied by public or private tenants on a competitive market rate basis. The department may require that revenue from the tenants be placed in an account to be used to pay the costs to maintain and improve the property.

Sec. 306. From the funds appropriated in part 1, the auditor general shall conduct an audit of charges to transportation funds by state departments. The auditor general shall prepare a detailed report, with recommendations and conclusions, including a list of services charged to transportation funds, the appropriateness of those charges, and the cost allocation methodologies used in determining the level of funding, and provide the report, upon request, to any member of the senate and house of representatives and to the senate and house fiscal agencies by March 1, 2003.

Sec. 307. Before February 1 of each year, the department will provide to the legislature, the state budget office, and the house and senate fiscal agencies its rolling 5-year plan listing by county or by county road commission all highway construction projects for the fiscal year and all expected projects for the ensuing fiscal years.

Sec. 308. The department and local road agencies that receive appropriations under this act shall pursue compliance with contract specifications for construction and maintenance of state highways and local roads and streets. Work shall not be accepted and paid for until it complies with contract requirements. Contractors with unsatisfactory performance ratings shall be restricted from future bidding through the prequalification process established by the department or a local road agency. The department, county road commissions, and cities and villages shall report to the house of representatives and senate appropriations subcommittees on transportation on their respective activities under this section.

Sec. 309. The department shall continue its efforts to reduce administrative costs and provide the maximum funding possible for construction projects.

Sec. 310. The department shall provide in a timely manner copies of the agenda and approved minutes of monthly transportation commission meetings to the members of the house and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget director.

Sec. 311. The department shall not use funds appropriated under part 1 on behalf of a local governmental unit to pay the amount required for that local governmental unit to participate in the federal advance construct program.

Sec. 312. At the close of the fiscal year ending September 30, 2003, any unencumbered and unexpended balance in the state trunkline fund shall remain in the state trunkline fund and shall carry forward and is appropriated for federal aid road and bridge programs for projects contained in the annual state transportation program.

Sec. 313. (1) From funds appropriated in part 1, the department may increase a state infrastructure bank program and grant or loan funds in accordance with regulations of the state infrastructure bank program of the United States department of transportation. The state infrastructure bank is to be administered by the department for the purpose of providing a revolving, self-sustaining resource for financing transportation infrastructure projects.

(2) In addition to funds provided in subsection (1), money received by the state as federal grants, repayment of state infrastructure bank loans, or other reimbursement or revenue received by the state as a result of projects funded by the program and interest earned on that money shall be deposited in the revolving state infrastructure bank fund and shall be available for transportation infrastructure projects. At the close of the fiscal year, any funds remaining in the state infrastructure bank fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 314. The department shall provide a report prepared by the department's internal auditor on the activities of the internal auditor for the prior fiscal year. This report shall include a listing of each audit or investigation performed by the internal auditor pursuant to sections 486(4) and 487 of the management and budget act, 1984 PA 431, MCL 18.1486 and 18.1487. The report shall identify the proportion of time spent on each of the statutory responsibilities listed in sections 485(4), 486(4), and 487 of the management and budget act, 1984 PA 431, MCL 18.1485, 18.1486, and 18.1487, and the time spent on all other activities performed in the internal audit function. The report shall be due biennially beginning on May 1, 2001 and shall be submitted to the governor, auditor general, the senate and house of representatives appropriations committees, the senate and house fiscal agencies, and the director.

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

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

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

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

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

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

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

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

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

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

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

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

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

(2) After compiling this information for all Michigan counties, the department shall prepare a report on the current all-season road network within the state. This report shall illustrate the current all-season road network under state and county control, identify contiguity gaps in this network, and suggest ways to improve connectivity on the current all-season network. This report shall be presented to the house and senate appropriations subcommittees on transportation, the house and senate transportation policy committees, and the house and senate fiscal agencies on or before October 1, 2004.

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

Sec. 355. The department in consultation with the department of environmental quality shall design and build at least 1 demonstration road preservation project using an asphalt pavement design mixture including recycled or scrap tires.

For purposes of the demonstration, 1 of these projects may be constructed on a local road requiring repaving. The department shall report to the house and senate appropriations subcommittees on transportation and the house and senate fiscal agencies by March 1, 2003 on its findings.

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

#### **FEDERAL**

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

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

(a) Funds that are specifically allocated at the federal level to the state or local jurisdictions.

(b) Funds allocated by the department to the state and to local jurisdictions through a competitive process.

(2) Federal aid excluded from the calculation of funding allocated to programs administered by local jurisdictions in subsection (1) includes, but is not limited to, congestion mitigation and air quality funds, federal bridge funds, transportation enhancement funds, funds distributed at the discretion of the United States secretary of transportation, and congressionally designated funds.

(3) The funds shall be distributed to eligible local agencies for transportation purposes in a manner consistent with state and federal law.

(4) Federal aid to highways allocated to local jurisdictions in subsection (1) shall be distributed in a manner that produces a 25% average allocation of applicable funds to programs for local jurisdictions in each fiscal year through the fiscal year ending September 30, 2005. The average allocation of applicable federal aid to highway funds to programs for local jurisdictions shall be the average of the amount distributed to local jurisdictions under subsection (1) and similarly calculated distributions in each succeeding fiscal year.

(5) The allocation percentage described in subsection (1) shall be adjusted to reflect any voluntary agreements made by the department with local jurisdictions regarding the transfer of federal aid eligible roadways or the state buyout of local federal aid.

(6) The department shall not borrow against the critical bridge fund for the first 9 months of the fiscal year.

(7) The federal funds appropriated in part 1 for local federal aid and road and bridge construction, to eligible local road agencies, may be transferred through a voluntary buyout agreement made between eligible local road agencies.

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

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

#### **MICHIGAN TRANSPORTATION FUND**

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

Sec. 502. The department of treasury shall perform audits and make investigations of the disposition of all state funds received by county road commissions or county boards of commissioners, as applicable, and cities and villages for transportation purposes to determine compliance with the terms and conditions of 1951 PA 51, MCL 247.651 to 247.675. County road commissions or county boards of commissioners, as applicable, and cities and villages shall make available to the department of treasury the pertinent records for the audit.

Sec. 503. (1) The funds appropriated in part 1 for the economic development and critical bridge programs shall not lapse at the end of the fiscal year but shall carry forward each fiscal year for the purposes for which appropriated in accordance with 1987 PA 231, MCL 247.901 to 247.913, and section 11b of 1951 PA 51, MCL 247.661b.

(2) Interest earned in the department of transportation economic development fund and critical bridge fund shall remain in the respective funds and shall be allocated to the respective programs based on actual interest earned at the end of each fiscal year.

(3) The department of transportation economic development fund and critical bridge fund may receive and expend federal, local, or private funds or restricted source funds such as interest earnings for projects that are consistent with the programmatic mission of the respective funds in addition to funds appropriated in part 1.

(4) None of the funds statutorily dedicated to the transportation economic development fund and critical bridge fund shall be diverted to other projects.

Sec. 504. (1) Funds from the Michigan transportation fund (MTF) shall be distributed to the comprehensive transportation fund (CTF), the economic development fund (EDF), the recreational improvement fund (RIF), and the state trunkline fund (STF), in accordance with this act and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may only be used as specified in this act, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

(2) The amounts appropriated and transferred to various state agencies from part 1 shall be expended from the transportation funds pursuant to annual contracts between the department and state agencies providing tax and fee collection and other services applicable to transportation funds. The contracts shall be executed prior to the transfer of these funds. The contracts shall provide, but are not limited to, the following data applicable to each state agency:

(a) Estimated costs to be recovered from transportation funds.

(b) Description of services financed with transportation funds.

(c) Detailed cost allocation methods that are appropriate to the type of services being provided and the activities financed with transportation funds.

(3) At the close of each fiscal year and before April 1, each state agency receiving an interdepartment and statutory contract from the department shall submit a written report to the department, the state budget director, and the house and senate fiscal agencies stating by spending authorization account the amount of estimated funds contracted with the department, the amount of funds expended, and the amount of funds returned to the transportation funds. A copy of the report shall be submitted to the auditor general and the report shall be subject to audit by the auditor general.

(4) In addition to subsection (2), the department is authorized to receive billings from other state agencies that provide transportation-related services and to make payments from the Michigan transportation fund, comprehensive transportation fund, economic development fund, state aeronautics fund, and state trunkline fund as determined by the department based on allowable expenditures and verification by the department.

Sec. 505. (1) Of the amount appropriated in part 1 from the Michigan transportation fund to the department of state, \$186,600.00 represents the additional cost of issuing specialized license plates for veterans and national guard members, as included in sections 803i, 803j, 803k, and 803l of the Michigan vehicle code, 1949 PA 300, MCL 257.803i, 257.803j, 257.803k, and 257.803l, and \$187,600.00 represents the additional cost of issuing generic license plates for nonprofit fraternal or public service organizations, as included in section 803m of the Michigan vehicle code, 1949 PA 300, MCL 257.803m.

(2) In addition, commemorative and specialty license plate fee revenue collected by the department of state and deposited into the Michigan transportation fund is authorized for expenditure by the department of state up to the amount of revenue collected, but not to exceed \$2,147,300.00 for commemorative plates and \$3,915,000.00 for specialty plates. These amounts are appropriated to the department of state in part 1 to administer the commemorative and specialty license plate programs pursuant to section 225 of the Michigan vehicle code, 1949 PA 300, MCL 257.225.

(3) The department of state shall prepare an annual report on the number of, and the additional costs associated with, these license plate programs to the department, the state budget director, the house and senate fiscal agencies, and the chairpersons of the house of representatives and senate appropriations subcommittees on transportation.

(4) Any unspent funds based on these annual reports shall lapse to the Michigan transportation fund and be distributed in accordance with 1951 PA 51, MCL 247.651 to 247.675.

Sec. 506. From the funds appropriated in part 1 for county road commissions, no county road commission shall pay any fee to the state department of natural resources to cut down and/or remove any tree or vegetation on any county right-of-way property.

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

#### **STATE TRUNKLINE FUND**

Sec. 601. The department shall work with the road construction industry to develop performance and road construction warranties for construction contracts. The development of warranties shall include warranties on materials, workmanship, performance criteria, and design/build projects. The department will report by September 30,

2003 to the house of representatives and senate appropriations subcommittees on transportation, the state budget office, and the house and senate fiscal agencies on the status of efforts to develop performance and road construction warranties.

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

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

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

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

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

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

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

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

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

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

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

Sec. 617. From the funds appropriated in part 1, the department shall conduct a feasibility study regarding the construction of a full interchange at the intersection of M-48 and I-75 in Chippewa County. The study shall be completed and the findings communicated to the senate and house of representatives appropriations subcommittees on transportation and the senate and house fiscal agencies by February 1, 2003.

#### **COMPREHENSIVE TRANSPORTATION FUND**

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

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

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

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

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

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

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

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

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

Between St. Ignace and Escanaba	US-2
Between Escanaba and Duluth	US-2 through Ironwood to the state line
Between Calumet and Escanaba	US-41
Between Escanaba and Milwaukee	US-41 through Menominee to the state line
Between St. Ignace and Sault Ste. Marie	I-75
Between Detroit and Chicago	I-94 from Detroit to the state line
Between Detroit and Muskegon	I-96
Between Grand Rapids, Holland, and Benton Harbor	I-196 to I-94
Between Muskegon and Grand Rapids	US-31, I-96
Between Detroit and Bay City	I-75
Between Bay City and Mount Pleasant	US-10, M-20
Between Jackson and Traverse City	US-127, US-27, I-75, Grayling, Gaylord, M-72 to Traverse City
Between Jackson and Indianapolis	I-69, I-94 to the state line through Albion, Marshall, and Coldwater
Between Houghton Lake and Cadillac	M-55 and M-66
Between Detroit and Toledo	I-75 to the state line
Between the Indiana state line and Traverse City	US-31 and I-196
Between Detroit and Port Huron	I-375 and I-94
Between Toledo and Bay City	US-23, I-75, and I-675, I-75
Between Bay City and Chicago	I-75, Flint, I-69, I-94, Battle Creek, I-94 to the state line

Between Flint and Lansing  
 Between Bay City and St. Ignace  
 Between Grand Rapids and St. Ignace

I-69, M-21, Owosso, M-52, I-69  
 I-75, US-23  
 US-131, Cadillac, M-115, Mesick,  
 M-37 to Traverse City, US-31, Acme, M-72,  
 Kalkaska, US-131, Boyne Falls, M-75,  
 Walloon Lake, US-131, Petoskey, US-31,  
 I-75, St. Ignace  
 US-131

Between Kalamazoo and Grand Rapids

(2) Any changes to the essential corridor list in subsection (1) shall be approved by the house and senate appropriations subcommittees on transportation.

(3) No entity shall receive operating assistance for a scheduled regular route service which is competing with another private or public carrier over the same route.

Sec. 710. Whenever possible, the department shall work with the local transit agencies to avoid establishing new routes that duplicate existing routes served by intercity carriers when providing services under regional transportation service programs. It is preferable that private intercity carriers be provided an opportunity to bid by local public transit agencies on services funded through the regional transportation service program.

Sec. 711. (1) From the funds appropriated in part 1 from the comprehensive transportation fund for rail passenger service, the department shall negotiate with a rail carrier to provide rail service between Grand Rapids and Chicago and between Port Huron and Chicago on a 7-day basis, consistent with the other provisions of this section.

(2) The department shall work with the rail carrier, local communities, and the federal government to increase marketing efforts to promote awareness of rail passenger service, to increase ridership, to reduce operating subsidies in conjunction with the federal phaseout of operating subsidies, to maximize the revenue of the rail passenger lines in Michigan, and to improve on-time performance. The department shall submit a report to both the house and senate appropriations committees and the house and senate fiscal agencies by January 1, 2003, that provides a 5-year history on services, ridership, and subsidies.

(3) Future state support for the service between Grand Rapids and Chicago and Port Huron and Chicago is dependent on the department's ability to provide a plan and a contract for services that increase ridership and revenue, reduce operating costs, and improve on-time performance. The department shall include a section in the report required in subsection (2) detailing efforts to reduce the dependence on state operating subsidies and projected operating expenses for the next 2 years, and recommending service alternatives, for the Grand Rapids to Chicago service and the Port Huron to Chicago service.

(4) Any state subsidy shall only provide for the direct operating costs in Michigan and shall not exceed \$5,700,000.00 for the service between Port Huron and Chicago and Grand Rapids and Chicago.

(5) The rail carrier shall, as a condition to receiving a state operating subsidy, establish a system to monitor, collect, and resolve customer complaints and shall make the information available to the department, the house and senate appropriations subcommittees on transportation, and to the house and senate fiscal agencies.

(6) If the chosen rail carrier is Amtrak, the department shall require Amtrak to provide information to the department to identify direct and indirect operating costs prior to receiving any state funding. Any state subsidy shall only provide for the direct operating costs in Michigan.

Sec. 714. The department, in cooperation with local transit agencies, shall work to ensure that demand-response services are provided throughout Michigan. The department shall continue to work with local units of government to address the unmet transit needs in Michigan.

Sec. 715. (1) On or before January 27, 2003, the department, together with the house and senate fiscal agencies and the department of management and budget, shall estimate the unreserved and unencumbered closing balance of the comprehensive transportation fund (CTF) for the fiscal year ending September 30, 2002. The estimate shall consider lapsed appropriations from the CTF and revised estimates of state restricted transportation revenue.

(2) On or before February 3, 2003, the department shall request a legislative transfer in accordance with section 393 of the management and budget act, 1984 PA 431, MCL 18.1393, to appropriate any estimated unreserved and unencumbered CTF fund balance in excess of \$1,000,000.00. The appropriations included in the transfer request shall be in accordance with the statutory requirements of 1951 PA 51, MCL 247.651 to 247.675, with priority given to local bus operating grants. At the same time the department makes its transfer request, the department shall submit copies of the transfer request to the house of representatives and senate appropriations subcommittees on transportation and the house and senate fiscal agencies.

Sec. 719. The department may provide advances to local road authorities from the rail grade crossing account pursuant to section 11(1)(g) of 1951 PA 51, MCL 247.661, for the construction of grade separations. Money that is received by the state as a repayment of the advance, including interest on the advance, shall be returned to the rail grade crossing account and be available for the local grade crossing program for advances for the construction of grade separations pursuant to section 11(1)(g) of 1951 PA 51, MCL 247.661.

Sec. 721. For federal transit administration bus acquisition capital grants matched with CTF funds appropriated in part 1, transit agencies shall have 4 years from the federal approval date to carry out their projects. Contract line items unobligated 4 years after the federal approval date may be matched with CTF funds only up to 15% in the fifth and subsequent years. "Unobligated" means any line item in the contract that is not committed to a third party or purchase order. A waiver shall be granted by the department for an additional year with documented justification from the transit agency accompanied by a resolution from the board or authority seeking a waiver. If a transit agency does not carry out a line item activity in a specific authorization and the transit agency requests funds in a new authorization for that same activity, the line item shall be matched at up to 15%. This section applies only to bus acquisition capital grants. Lapsed funds under this section shall remain in the CTF.

Sec. 722. From the funds appropriated in part 1 for the work first initiative from the CTF, sufficient funds shall be used as a match for job access reverse commute grants for local transit agencies.

Sec. 723. From funds appropriated in part 1 for rail passenger service, up to \$1,000,000.00 is appropriated to provide a 20% match for federal funds for capital improvements to facilitate a Lansing to Detroit rail passenger service. This is a 1-time appropriation for community outreach, preliminary engineering, environmental clearance, and design plans only, and no funds from this appropriation shall be used for operating assistance on a Lansing to Detroit rail service. This appropriation is not to be construed as a commitment of operating funds by the legislature. It is the intent of the legislature that funds for ongoing operating costs of a Lansing to Detroit rail service be provided by local units of government within the Lansing to Detroit rail service area. Funds not expended for preliminary engineering, environmental clearance, and design plans shall be returned to the fund from which the appropriation was made.

Sec. 724. Funds from the appropriations in part 1 shall not be used for any expansion of an intermodal rail freight facility in southwest Detroit, outside of existing railroad property, prior to the completion of an environmental impact statement.

Sec. 725. Within 90 days of enactment of House Bill No. 5467 of the 91st Legislature, the department shall report to the house and senate appropriations committees on the estimated start-up costs associated with the Detroit area regional transportation authority established by House Bill No. 5467 of the 91st Legislature. From funds appropriated in part 1, the department may expend up to \$1,000,000.00 to support Detroit area regional transportation authority start-up costs. The appropriation in this section does not take effect unless House Bill No. 5467 of the 91st Legislature is enacted into law.

#### **AERONAUTICS FUND**

Sec. 801. At the close of the fiscal year ending September 30, 2003, any unobligated and unexpended balance in the state aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund and be appropriated by the legislature in the immediately succeeding fiscal year.

Sec. 803. (1) From the funds appropriated in section 114, the department shall establish an aeronautics safety officer position to coordinate safety functions between the department, the department of natural resources, and the department of state police. It is the intent of the legislature that the safety officer position is jointly funded by the 3 departments in equal shares.

(2) In addition to the funds appropriated in section 113, the department is authorized to expend funds received from the department of natural resources and the department of state police that are intended to support the aeronautics safety officer position established in subsection (1).

Sec. 805. State aeronautics funds appropriated in part 1 for airport safety and protection plan debt service are transferred to the comprehensive transportation fund and are appropriated for the purpose of reimbursing comprehensive transportation fund debt service obligations for the airport safety and protection plan program. This appropriation does not take effect unless House Bill No. 4454 of the 91st Legislature is enacted into law on or before September 30, 2002.

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

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

Scott Shackleton  
Jerry Kooiman  
Keith Stallworth  
Conferees for the House

George A. McManus, Jr.  
Mike Goschka  
Joe Young, Jr.  
Conferees for the Senate

The question being on the adoption of the conference report,

The first conference report was not adopted, a majority of the members serving not voting therefor, as follows:

**Roll Call No. 804****Yeas—13**

Bullard  
DeBeaussaert  
DeGrow  
Dingell

Emmons  
Gougeon  
Hoffman

McManus  
Peters  
Schwarz

Scott  
Smith  
Steil

**Nays—22**

Bennett  
Byrum  
Dunaskiss  
Garcia  
Gast  
Goschka

Hammerstrom  
Hart  
Johnson  
Koivisto  
Leland  
McCotter

Miller  
Murphy  
North  
Sanborn  
Schuette

Shugars  
Sikkema  
Stille  
Van Regenmorter  
Young

**Excused—1**

Vaughn

**Not Voting—2**

Cherry

Emerson

In The Chair: Schwarz

**Protests**

Senators North and Johnson, under their constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the conference report relative to House Bill No. 5651.

Senator North's statement, in which Senator Johnson concurred, is as follows:

I voted "no" because the conference committee report included language in there for possible appropriations of up to \$1 million for the Detroit Area Rapid Transportation Authority. I have steadfastly been against state funding for that, and therefore, I voted "no" on the conference report.

Senator Emmons moved that joint rule 9 be suspended to permit immediate consideration of the conference report relative to the following bill:

**House Bill No. 5647**

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

**House Bill No. 5647, entitled**

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

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

The Conference Report was read as follows:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning **House Bill No. 5647, entitled**

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

Recommends:

First: That the House recede from the House Substitute for the Senate Substitute as passed by the House.

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

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

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

**PART 1**

**LINE-ITEM APPROPRIATIONS**

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

**DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES**

**APPROPRIATION SUMMARY:**

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	241.5	
<b>GROSS APPROPRIATION</b> .....		\$ 59,586,200
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		0
<b>ADJUSTED GROSS APPROPRIATION</b> .....		\$ 59,586,200
Federal revenues:		
Total federal revenues .....		8,111,300
Special revenue funds:		
Total local revenues .....		0
Total private revenues .....		577,400
Total other state restricted revenues .....		1,900,900
State general fund/general purpose .....		\$ 48,996,600

**Sec. 102. DEPARTMENT OPERATIONS**

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	26.0	
Unclassified salaries—6.0 FTE positions .....		\$ 219,400
Management services—25.0 FTE positions.....		2,103,600
Building occupancy charges and rent.....		2,739,300
Worker’s compensation .....		34,000
Office of film and television services—1.0 FTE positions .....		143,500
<b>GROSS APPROPRIATION</b> .....		\$ 5,239,800
Appropriated from:		
State general fund/general purpose .....		\$ 5,239,800

**Sec. 103. INFORMATION TECHNOLOGY**

Information technology services and projects .....		\$ 1,166,100
<b>GROSS APPROPRIATION</b> .....		\$ 1,166,100
Appropriated from:		
State general fund/general purpose .....		\$ 1,166,100

**Sec. 104. MICHIGAN COUNCIL FOR ARTS AND CULTURAL AFFAIRS**

Full-time equated classified positions .....	10.0	
Administration—10.0 FTE positions.....		\$ 839,100
Arts and cultural grants.....		11,642,600
<b>GROSS APPROPRIATION</b> .....		\$ 12,481,700

For Fiscal Year  
Ending Sept. 30,  
2003

Appropriated from:	
Federal revenues:	
NFAH-NEA, promotion of the arts, partnership agreements .....	\$ 700,000
State general fund/general purpose .....	\$ 11,781,700
<b>Sec. 105. MACKINAC ISLAND STATE PARK COMMISSION</b>	
Full-time equated classified positions .....	47.8
Mackinac Island park operation—22.8 FTE positions .....	\$ 1,541,300
Historical facilities system—25.0 FTE positions .....	1,409,500
GROSS APPROPRIATION .....	\$ 2,950,800
Appropriated from:	
Special revenue funds:	
Airport and park operation fees .....	76,400
Mackinac Island state park fund .....	1,037,600
State general fund/general purpose .....	\$ 1,836,800
<b>Sec. 106. MICHIGAN HISTORICAL PROGRAM</b>	
Full-time equated classified positions .....	78.7
Federal programs—14.9 FTE positions .....	\$ 1,853,900
Heritage publications .....	700,000
Historical administration and services—63.8 FTE positions .....	4,940,800
Private grants and gifts .....	502,400
Thunder Bay national marine sanctuary and underwater preserve .....	250,000
GROSS APPROPRIATION .....	\$ 8,247,100
Appropriated from:	
Federal revenues:	
DOI-NPS, historic preservation grants-in-aid .....	1,348,000
Federal funds .....	505,900
Special revenue funds:	
Heritage publication fund .....	700,000
Private - grants and gifts .....	400,000
Private - Mann house trust fund .....	102,400
State general fund/general purpose .....	\$ 5,190,800
<b>Sec. 107. LIBRARY OF MICHIGAN</b>	
Full-time equated classified positions .....	79.0
Book distribution centers .....	\$ 308,400
Collected gifts and fees .....	161,900
Grand Rapids public library .....	199,200
Grant to the Detroit public library .....	2,877,100
Library of Michigan operations—79.0 FTE positions .....	7,577,900
Library services and technology act .....	4,557,400
Renaissance zone reimbursement .....	657,100
State aid to libraries .....	13,327,000
Subregional state aid .....	561,200
Wayne County library for the blind and physically handicapped .....	46,600
GROSS APPROPRIATION .....	\$ 30,273,800
Appropriated from:	
Federal revenues:	
Federal section 903(d), SSA funds .....	1,000,000
Library services and technology act .....	4,557,400
Special revenue funds:	
Private - gifts and bequests revenues .....	75,000
User fees .....	86,900
State general fund/general purpose .....	\$ 24,554,500
<b>Sec. 108. EARLY RETIREMENT AND BUDGETARY SAVINGS</b>	
Early retirement savings .....	\$ (146,300)
Budgetary savings .....	(626,800)
GROSS APPROPRIATION .....	\$ (773,100)
Appropriated from:	
State general fund/general purpose .....	\$ (773,100)

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2002-2003 is \$50,897,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2002-2003 is \$24,168,200.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES

Arts and cultural grants.....	\$	7,500,000
State aid to libraries.....		13,327,000
Detroit public library .....		1,941,900
Grand Rapids public library.....		134,400
Subregional state aid.....		561,200
Wayne County library for the blind and physically handicapped .....		46,600
Renaissance zone reimbursement.....		657,100
Total department of history, arts, and libraries.....	\$	24,168,200

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

Sec. 203. As used in this appropriation act:

- (a) "Department" means the department of history, arts, and libraries.
- (b) "Director" means the director of the department of history, arts, and libraries.
- (c) "DOI-NPS" means the United States department of interior, national park service.
- (d) "Fiscal agencies" means the house fiscal agency and the senate fiscal agency.
- (e) "FTE" means full-time equated.
- (f) "NEA" means the national endowment for the arts.
- (g) "NFAH" means the national foundation of the arts and the humanities.
- (h) "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 quarterly to the chairpersons of the senate and house standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.

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

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

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

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$750,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 207. At least 60 days before beginning any effort to privatize, the department shall submit a complete project plan to the 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 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. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 211. The department 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. 212. In addition to the funds appropriated in part 1, the department may accept contributions, gifts, bequests, devises, user fees, grants, and donations. Funds accepted by the department are appropriated and allotted when received and may be expended immediately upon receipt or at any later time. Those funds that are not expended in the current fiscal year shall not lapse at the close of the fiscal year and may be carried over by the department for expenditure in the following fiscal years.

Sec. 213. From the funds appropriated in part 1 for information technology, the department shall pay user fees to the department of information technology for technology related services and projects. These user fees are subject to provisions of an interagency agreement between the department and the department of information technology.

Sec. 214. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 215. The department shall maintain an accounting structure within MAIN to track expenditures and revenues of that portion of the library of Michigan-operations line item that are for the purposes of the line item included within 2001 PA 83 entitled "statewide database access".

Sec. 261. (1) The negative appropriation for early retirement savings in part 1 shall be satisfied by savings realized from not filling all of the positions lost due to the early retirement plan for state employees enacted in 2002 PA 93 amendments to the state employees retirement act, 1943 PA 240, MCL 38.1 to 38.69.

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

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

Sec. 262. (1) Subject to subsection (2), in addition to the amounts appropriated under part 1, for the fiscal year ending September 30, 2003, \$11,900,000.00 is appropriated to the arts and cultural grants from the state general fund.

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

#### **DEPARTMENT OPERATIONS**

Sec. 301. (1) The funds appropriated in part 1 may be used for per diem payments to the members of commissions, boards, or committees for a full day of commission, board, or committee work at which a quorum is present, for attending a hearing as authorized by the respective commission, board, or committee, or for performing official business as authorized by each respective commission, board, or committee.

(2) The per diem payments shall be \$50.00 per day for all commissions and boards.

#### **MICHIGAN COUNCIL FOR ARTS AND CULTURAL AFFAIRS**

Sec. 401. (1) The Michigan council for arts and cultural affairs in the department shall administer the arts and cultural grants appropriated in part 1. The council shall provide for fair and independent decisions on arts and cultural grant requests based upon published criteria to evaluate program quality. These criteria shall include a prohibition of art projects that include displays of human wastes on religious symbols, displays of sex acts, and depictions of flag desecration. The council shall seek to award grants on an equitable geographic basis to the extent possible given the quality of grant applications received. Priority shall be given to projects that serve multiple counties and that leverage significant additional public and private investment. Counties, cities, villages, townships, community foundations, and organizations, including science museums/centers, may apply for the following categories of grants:

(a) Anchor organization program for organizations that serve a statewide audience. Anchor organizations shall demonstrate a commitment to education, to mentoring smaller organizations, and to reaching underserved audiences.

- (b) Arts projects program.
- (c) Arts and learning program.
- (d) Artists in schools program.
- (e) Arts organization development program.
- (f) Capital improvement projects.
- (g) Local, regional, or statewide arts agencies services program.
- (h) Regional regrating program.
- (i) Partnership program.
- (j) Discretionary grants program.
- (k) Rural arts and cultural projects.

(2) Potential applicants, including anchor organizations, that are considered ineligible to apply for grants and applicants that are unsuccessful in obtaining a grant shall be provided by the council with the following:

(a) A written rationale as to why the potential applicant was considered ineligible or why the applicant's grant was not funded.

(b) A description of actions the potential applicant or applicant needs to take in order to become eligible or to receive funding in future years.

(3) The appropriation for arts and cultural grants in part 1 and disbursed under this section shall, at a minimum, be matched on an equal dollar-for-dollar basis from local and private contributions paid and received by each awardee receiving grants under this section. The dollar-for-dollar match may include the reasonable value of services, materials, and equipment as allowed under the federal internal revenue code for charitable contributions subject also to the preapproval of such a match by the Michigan council for arts and cultural affairs. The council shall receive proof of the entire amount of the matching funds, services, materials, or equipment by the end of the award period.

(4) Before any amount appropriated for arts and cultural grants in part 1 may be expended for a grant to eligible applicants for the purposes in this section, the department shall execute a grant agreement with each grantee. The grant agreement shall specify the criteria included in this section with which the application complies. The grant agreement shall include a list of the projects funded.

(5) Counties, cities, villages, townships, community foundations, and organizations receiving funds under this section shall provide the Michigan council for arts and cultural affairs with the following:

(a) A final report covering the grant period within 30 days after the end of the grant period indicating at least the following:

- (i) Project revenues and expenditures indicating grant matching fund amounts.
- (ii) Number of patrons attracted or benefiting during the grant period.
- (iii) A narrative summary of each project and its outcome.

(b) Awardees receiving grants greater than \$100,000.00 shall also submit a report as identified in subdivision (a) on an interim basis by April 7 of the grant year.

(6) Within 1 day following the final council vote, the department shall provide a list of grant awardees to the subcommittees and each legislator whose district is receiving a grant from arts and cultural grants funds appropriated in part 1.

(7) The applicants for arts and cultural grant funds shall be charged a nonrefundable application fee of \$100.00 or 1% of the grant, whichever is less. The application fee may be used by the department to recover direct and indirect costs as appropriated in part 1.

(8) It is the intent of the legislature that the Michigan council for arts and cultural affairs continue to take appropriate steps to ensure that all organizations receiving state arts anchor organization grants have combined grant awards, as defined in subsection (10), of no more than 15.0% of operating revenue for the fiscal year ending September 30, 2005 and beyond. As used in this subsection, "operating revenue" is defined in the same manner as it was defined during the fiscal year 2000 state arts anchor organization application process.

(9) The council shall continue and expand its efforts to encourage and support nonprofit arts and cultural organizations transitioning from solely volunteer-based organizations to professional directed operations. This includes the provision of funds and services from the arts organization development, partnership, arts projects, anchor organization, and regional regrating programs as well as the rural arts and culture initiative to support professional development within these organizations. Criteria for support include the requirement of collaboration between these organizations and other community organizations.

(10) Any organizations receiving grants within the anchor organization program category in excess of 10.0% of their operating revenue, as defined in subsection (8), for the fiscal year ending September 30, 2002, shall not receive a combined grant award from all grant categories, except the partnership program, that is greater than the combined grant award from these categories that the organization received for the fiscal year ending September 30, 2002.

(11) The council shall provide for fair, equitable, and efficient distribution of funds granted through the regional regrating program. The council shall provide for an annual assessment of grant management and distribution of mini-grant awards by designated regional regrating agencies and review the methodology employed.

(12) The council shall make every effort to provide total grant awards in the anchor organization program at a level not to exceed 65% of the total amount appropriated for arts and cultural grants.

(13) The department shall submit 2 annual reports to the appropriations subcommittees, the state budget office, and the fiscal agencies as follows:

(a) The first report is due 30 days after the council makes the annual grant awards. The report shall contain the following:

(i) A listing of each applicant.

(ii) The county of residence of an applicant.

(iii) The amount awarded.

(iv) The amount requested.

(v) The grant category under which an applicant applied.

(vi) A summary of projects funded for each awardee.

(vii) The expected number of patrons for an applicant during the grant period.

(viii) The amount of matching funds proposed by an applicant.

(ix) The review score for each application.

(x) A listing containing the information in subparagraphs (i) to (iii) for any regranted funds in the preceding fiscal year.

(b) The second report is due when materials are first distributed by the council seeking grant applications for the subsequent fiscal year. The report shall contain the following:

(i) The guidelines by which the council awards grants.

(ii) A summary of any changes in the program guidelines from the previous fiscal year.

(iii) A summary of any initiatives the council is taking to improve public access to the arts and culture, including, but not limited to, the use of technology applications.

#### **MICHIGAN HISTORICAL PROGRAM**

Sec. 501. The federal funds appropriated in part 1 for the historic site preservation grants are for work projects and shall not lapse at the end of the fiscal year but shall continue to be available for expenditure until the projects for which the funds were reserved have been completed or are terminated. The purpose of these work projects is the identification, designation, and preservation of historic resources. The method used will be to solicit applications from eligible recipients, score applications based upon established criteria, and award the contracts and subgrants. The total cost is \$1,348,000.00 and the tentative completion date is September 30, 2003.

Sec. 502. Funds collected by the department under sections 3, 6, 7, and 7a of 1913 PA 271, MCL 399.3, 399.6, 399.7, and 399.7a, are appropriated to the department for the purpose for which they were received and shall not lapse to the general fund at the end of the fiscal year.

Sec. 503. For purposes of administering the museum store as provided in section 7a of 1913 PA 271, MCL 399.7a, the department is exempt from section 261 of the management and budget act, 1984 PA 431, MCL 18.1261.

Sec. 504. (1) From the state funds appropriated in part 1, the department may award discretionary historical grants to preserve Michigan lighthouses. The department may award up to \$152,700.00 in grants for this purpose and may use a portion of those funds to assist in the transfer of lighthouses from federal ownership. A portion of the funds may also be dedicated to program administration and project coordination.

(2) The department shall allocate grant funds under this section pursuant to eligibility and scoring requirements established by the department. The method used will be to solicit applications from eligible recipients, score applications based on the established criteria, and award grants through executed contracts.

(3) Grants under this section may be awarded for purposes of stabilization, rehabilitation, or other preservation work on a Michigan lighthouse, but shall not be awarded for operational purposes. The department shall not allocate a grant under this section that exceeds \$40,000.00.

(4) The funds appropriated in part 1 and allocated by this section are for work projects. The funds shall not lapse to the general fund at the end of the fiscal year but shall remain available in subsequent fiscal years, until funds have been expended, the projects for which the funds were reserved have been completed, or the projects are terminated, whichever occurs first. The tentative date for completion is September 30, 2004.

Sec. 505. From the funds appropriated in part 1 for historical administration and services, \$71,200.00 shall be allocated to support the operations of the Michigan freedom trail commission as specified in section 4 of the Michigan freedom trail commission act, 1998 PA 409, MCL 399.84. These funds shall be used to reimburse commission members, to pay for necessary contractual services of the commission, and to hire not more than 1.0 FTE position in the department's Michigan historical center to support commission operations.

Sec. 506. (1) In addition to the funds appropriated in part 1, the department shall collect an application fee of \$250.00 for each application submitted under section 1 of 1955 PA 10, MCL 399.151, for property designated as a state historic site.

(2) The department shall deposit the fees collected under subsection (1) in a separate revolving fund. Any revenue remaining in the fund at the end of the fiscal year shall not lapse to the general fund but shall remain available for

future expenditures. The department may expend any revenues in the fund immediately upon receipt. Expenditures shall be made only for the purpose of correcting, repairing, or replacing numbered markers erected pursuant to section 2 of 1955 PA 10, MCL 399.152.

### **LIBRARY OF MICHIGAN**

Sec. 651. The funds appropriated in part 1 to the library of Michigan for subregional state aid shall only be expended if the local unit of government agrees to maintain local support at the same level of local support expended for subregional library services in the local unit of government's immediately preceding fiscal year. A reduction in local expenditures that equally affects all agencies within a local unit of government shall not be interpreted as a replacement of local financial or in-kind support with state aid funds.

Sec. 652. The funds appropriated in part 1 for a subregional library shall not be released until a budget for that subregional library has been approved by the department for expenditures for library services directly serving the blind and persons with disabilities. Subregional state aid shall be used only for providing services to the blind and to persons with disabilities.

Sec. 653. The funds appropriated in part 1 for statewide database access shall be used only for making computerized databases, searches of those databases, and the products of those searches available through the libraries of Michigan. Only those libraries that qualify under the federal library services and technology act, subtitle B of title II of the museum and library services act, title II of the arts, humanities, and cultural affairs act of 1976, Public Law 94-462, 110 Stat. 3009-295, are eligible to participate in this project.

Sec. 654. From the state general fund/general purpose appropriation in part 1, there is allocated \$657,100.00 to reimburse public libraries as provided by section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for property taxes levied in 2002. Reimbursements shall be made in amounts to each eligible recipient not later than 60 days after the department of treasury certifies to the department that it has received all necessary information to properly determine the amounts due each eligible recipient under section 12(4) of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692. Any excess allocations shall lapse to the general fund.

Sec. 655. The department shall submit a report on or before October 31, 2003, to the senate and house standing committees on appropriations that details the use of funds appropriated in part 1 within the Grand Rapids public library appropriation line and the grant to the Detroit public library appropriation line.

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

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

Marc Shulman  
Charles LaSata  
Conferees for the House

Loren Bennett  
Leon Stille  
Conferees for the Senate

The question being on the adoption of the conference report,

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

### **Roll Call No. 805**

### **Yeas—20**

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

### **Nays—17**

Byrum	Gast	Leland	Scott
Cherry	Hart	Miller	Shugars
DeBeaussaert	Johnson	Murphy	Smith
Dingell	Koivisto	Peters	Young
Emerson			

**Excused—1**

Vaughn

**Not Voting—0**

In The Chair: Schwarz

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

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

Senator Emmons moved that joint rule 9 be suspended to permit immediate consideration of the conference report relative to the following bill:

**House Bill No. 5646**

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

**House Bill No. 5646, entitled**

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

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

The Conference Report was read as follows:

**FIRST CONFERENCE REPORT**

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

**House Bill No. 5646, entitled**

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

Recommends:

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

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

the powers and duties of certain principal executive departments and state agencies, officials, and employees; and to provide for the disposition of fees and other income received by the various principal executive departments and state agencies.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the departments of attorney general, civil rights, civil service, information technology, management and budget, state, and treasury, the executive office, the legislative branch, and certain other state purposes, for the fiscal year ending September 30, 2003, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**TOTAL GENERAL GOVERNMENT**

**APPROPRIATION SUMMARY:**

Full-time equated unclassified positions .....	48.0	
Full-time equated classified positions .....	7,334.9	
<b>GROSS APPROPRIATION .....</b>		<b>\$ 2,993,198,000</b>
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		666,338,700
<b>ADJUSTED GROSS APPROPRIATION .....</b>		<b>\$ 2,326,859,300</b>
Federal revenues:		
Total federal revenues .....		59,360,000
Special revenue funds:		
Total local revenues .....		2,610,800
Total private revenues .....		1,733,100
Total other state restricted revenues .....		1,897,849,400
State general fund/general purpose .....		\$ 365,306,000

**Sec. 102. DEPARTMENT OF ATTORNEY GENERAL**

**(1) APPROPRIATION SUMMARY**

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	586.5	
<b>GROSS APPROPRIATION .....</b>		<b>\$ 61,757,600</b>
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		9,917,900
<b>ADJUSTED GROSS APPROPRIATION .....</b>		<b>\$ 51,839,700</b>
Federal revenues:		
Total federal revenues .....		7,672,700
Special revenue funds:		
Total local revenues .....		0
Total private revenues .....		1,183,000
Total other state restricted revenues .....		9,216,400
State general fund/general purpose .....		\$ 33,767,600

**(2) ATTORNEY GENERAL OPERATIONS**

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	586.5	
Attorney general .....		\$ 132,900
Unclassified positions—5.0 FTE positions .....		476,300
Attorney general operations—568.0 FTE positions .....		59,804,700
Prosecuting attorneys coordinating council—18.5 FTE positions .....		1,579,100
PACC, training project .....		325,000
<b>GROSS APPROPRIATION .....</b>		<b>\$ 62,318,000</b>

Appropriated from:

Interdepartmental grant revenues:		
IDG from FIA .....		2,663,600
IDG from MDA, bovine research .....		308,600
IDG from MDCIS, financial and insurance services .....		104,500
IDG from MDCIS, health services .....		1,170,400
IDG from MDCIS, public utility assessments .....		1,678,700
IDG from MDOT, comprehensive transportation fund .....		131,500
IDG from MDOT, state aeronautics fund .....		125,400

	For Fiscal Year Ending Sept. 30, 2003
IDG from MDOT, state trunkline fund.....	\$ 2,566,200
IDG from MDSP, Michigan justice training fund.....	325,000
IDG from Michigan gaming control board.....	844,000
Federal revenues:	
DAG, state administrative match grant/food stamps.....	1,068,200
DED-OPSE, student loan, federal lender allowance.....	288,600
DOL-ETA, unemployment insurance.....	1,372,900
DOL-OSHA, occupational safety and health.....	269,900
EPA, multiple grants.....	242,600
Federal funds.....	729,200
HHS, medical assistance, medigrant.....	556,700
HHS-OS, state Medicaid fraud control units.....	3,144,600
Special revenue funds:	
Private - accident fund company revenue.....	1,183,000
Antitrust enforcement collections.....	558,300
Auto repair facilities fees.....	195,000
Collections revenue.....	590,900
Corporate fees and security fees.....	127,600
Environmental response fund.....	657,800
Franchise fees.....	244,400
Game and fish protection fund.....	640,800
Liquor purchase revolving fund.....	857,800
Manufactured housing fees.....	190,200
Michigan state housing development authority fees.....	487,700
Michigan underground storage tank financial assurance fund.....	161,300
Oil and gas privilege fee revenue.....	145,000
Prisoner reimbursement.....	301,700
Prosecuting attorneys training fees.....	236,800
Retirement funds.....	621,100
Second injury fund.....	927,200
Self-insurers security fund.....	155,900
Silicosis and dust disease fund.....	464,300
State building authority revenue.....	82,000
State hospital authority.....	319,200
State lottery fund.....	207,300
Tobacco settlement trust fund.....	351,800
Utility consumers fund.....	476,600
Waterways fund.....	83,600
Worker's compensation administrative revolving fund.....	132,100
State general fund/general purpose.....	\$ 34,328,000
<b>(3) INFORMATION TECHNOLOGY</b>	
Information technology services and projects.....	\$ 878,200
GROSS APPROPRIATION.....	\$ 878,200
Appropriated from:	
State general fund/general purpose.....	\$ 878,200
<b>(4) EARLY RETIREMENT AND BUDGETARY SAVINGS</b>	
Early retirement savings.....	\$ (1,081,100)
Budgetary savings.....	(357,500)
GROSS APPROPRIATION.....	\$ (1,438,600)
Appropriated from:	
State general fund/general purpose.....	\$ (1,438,600)
<b>Sec. 103. DEPARTMENT OF CIVIL RIGHTS</b>	
<b>(1) APPROPRIATION SUMMARY</b>	
Full-time equated unclassified positions.....	5.0
Full-time equated classified positions.....	158.5
GROSS APPROPRIATION.....	\$ 14,367,700

For Fiscal Year  
Ending Sept. 30,  
2003

Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....	\$	0
ADJUSTED GROSS APPROPRIATION .....	\$	14,367,700
Federal revenues:		
Total federal revenues .....		934,000
Special revenue funds:		
Total local revenues .....		0
Total private revenues .....		0
Total other state restricted revenues .....		0
State general fund/general purpose .....	\$	13,433,700
<b>(2) CIVIL RIGHTS OPERATIONS</b>		
Full-time equated unclassified positions .....	5.0	
Full-time equated classified positions .....	158.5	
Commission (per diem \$75.00) .....		\$ 16,200
Unclassified positions—5.0 FTE positions .....		254,100
Civil rights operations—158.5 FTE positions .....		13,996,600
GROSS APPROPRIATION .....		\$ 14,266,900
Appropriated from:		
Federal revenues:		
EEOC, state and local antidiscrimination agency contracts .....		600,000
HUD, grant .....		334,000
State general fund/general purpose .....	\$	13,332,900
<b>(3) INFORMATION TECHNOLOGY</b>		
Information technology services and projects .....		\$ 1,082,000
GROSS APPROPRIATION .....		\$ 1,082,000
Appropriated from:		
State general fund/general purpose .....	\$	1,082,000
<b>(4) EARLY RETIREMENT AND BUDGETARY SAVINGS</b>		
Early retirement savings .....		\$ (837,100)
Budgetary savings .....		(144,100)
GROSS APPROPRIATION .....		\$ (981,200)
Appropriated from:		
State general fund/general purpose .....	\$	(981,200)
<b>Sec. 104. DEPARTMENT OF CIVIL SERVICE</b>		
<b>(1) APPROPRIATION SUMMARY</b>		
Full-time equated classified positions .....	201.5	
GROSS APPROPRIATION .....		\$ 31,585,200
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		5,300,000
ADJUSTED GROSS APPROPRIATION .....		\$ 26,285,200
Federal revenues:		
Total federal revenues .....		4,779,100
Special revenue funds:		
Total local revenues .....		1,700,000
Total private revenues .....		150,000
Total other state restricted revenues .....		9,639,200
State general fund/general purpose .....	\$	10,016,900
<b>(2) CIVIL SERVICE OPERATIONS</b>		
Full-time equated classified positions .....	201.5	
Civil service operations—201.5 FTE positions .....		\$ 28,755,700
GROSS APPROPRIATION .....		\$ 28,755,700
Appropriated from:		
Interdepartmental grant revenues:		
IDG, training charges .....		4,000,000
IDG, 1% special funds .....		1,300,000
Federal revenues:		
Federal funds 1% .....		3,529,100

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Special revenue funds:	
Local funds 1% .....	\$ 1,700,000
Private funds 1% .....	150,000
Freedom of information fees .....	1,100
State sponsored group insurance .....	2,650,000
State restricted funds 1% .....	6,216,500
State general fund/general purpose .....	\$ 9,209,000
<b>(3) INFORMATION TECHNOLOGY</b>	
Information technology services and projects .....	\$ 3,461,600
<b>GROSS APPROPRIATION</b> .....	<u>\$ 3,461,600</u>
Appropriated from:	
Federal revenues:	
Federal funds 1% .....	1,250,000
Special revenue funds:	
State restricted funds 1% .....	771,600
State general fund/general purpose .....	\$ 1,440,000
<b>(4) EARLY RETIREMENT AND BUDGETARY SAVINGS</b>	
Early retirement savings .....	\$ (525,600)
Budgetary savings .....	(106,500)
<b>GROSS APPROPRIATION</b> .....	<u>\$ (632,100)</u>
Appropriated from:	
State general fund/general purpose .....	\$ (632,100)
<b>Sec. 105. EXECUTIVE OFFICE</b>	
<b>(1) APPROPRIATION SUMMARY</b>	
Full-time equated unclassified positions .....	10.0
Full-time equated classified positions .....	74.2
<b>GROSS APPROPRIATION</b> .....	\$ 5,399,500
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	0
<b>ADJUSTED GROSS APPROPRIATION</b> .....	\$ 5,399,500
Federal revenues:	
Total federal revenues .....	0
Special revenue funds:	
Total local revenues .....	0
Total private revenues .....	0
Total other state restricted revenues .....	0
State general fund/general purpose .....	\$ 5,399,500
<b>(2) EXECUTIVE OFFICE OPERATIONS</b>	
Full-time equated unclassified positions .....	10.0
Full-time equated classified positions .....	74.2
Governor .....	\$ 179,800
Lieutenant governor .....	125,900
Executive office—74.2 FTE positions .....	4,330,900
Unclassified positions—8.0 FTE positions .....	849,800
<b>GROSS APPROPRIATION</b> .....	<u>\$ 5,486,400</u>
Appropriated from:	
State general fund/general purpose .....	\$ 5,486,400
<b>(3) EARLY RETIREMENT AND BUDGETARY SAVINGS</b>	
Early retirement savings .....	\$ (36,600)
Budgetary savings .....	(50,300)
<b>GROSS APPROPRIATION</b> .....	<u>\$ (86,900)</u>
Appropriated from:	
State general fund/general purpose .....	\$ (86,900)
<b>Sec. 106. INFORMATION TECHNOLOGY</b>	
<b>(1) APPROPRIATION SUMMARY</b>	
Full-time equated unclassified positions .....	6.0
Full-time equated classified positions .....	1,765.4
<b>GROSS APPROPRIATION</b> .....	\$ 424,006,800

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Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....	\$	424,006,800
ADJUSTED GROSS APPROPRIATION .....	\$	0
Federal revenues:		
Total federal revenues .....		0
Special revenue funds:		
Total local revenues .....		0
Total private revenues .....		0
Total other state restricted revenues .....		0
State general fund/general purpose .....	\$	0
<b>(2) INFORMATION TECHNOLOGY SERVICES</b>		
Full-time equated unclassified positions .....		6.0
Full-time equated classified positions .....		1,765.4
Unclassified positions—6.0 FTE positions .....	\$	300,000
Enterprisewide services—79.0 FTE positions .....		29,341,300
Health and human services—600.4 FTE positions .....		228,769,000
Education services—97.7 FTE positions .....		10,689,200
Public protection—432.4 FTE positions .....		54,876,700
Resources services—178.1 FTE positions .....		24,303,300
Transportation services—107.0 FTE positions .....		26,377,500
General services—270.8 FTE positions .....		52,851,900
GROSS APPROPRIATION .....	\$	427,508,900
Appropriated from:		
Interdepartmental grant revenues:		
IDG from user fees .....		427,508,900
State general fund/general purpose .....	\$	0
<b>(3) EARLY RETIREMENT AND BUDGETARY SAVINGS</b>		
Early retirement savings .....	\$	(3,502,100)
GROSS APPROPRIATION .....	\$	(3,502,100)
Appropriated from:		
Interdepartmental grant revenues:		
IDG from user fees .....		(3,502,100)
State general fund/general purpose .....	\$	0
<b>Sec. 107. LEGISLATURE</b>		
<b>(1) APPROPRIATION SUMMARY</b>		
GROSS APPROPRIATION .....	\$	126,360,200
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		1,627,600
ADJUSTED GROSS APPROPRIATION .....	\$	124,732,600
Federal revenues:		
Total federal revenues .....		0
Special revenue funds:		
Total local revenues .....		0
Total private revenues .....		400,000
Total other state restricted revenues .....		2,530,400
State general fund/general purpose .....	\$	121,802,200
<b>(2) LEGISLATURE</b>		
Senate .....	\$	29,216,900
Senate automated data processing .....		2,229,800
Senate fiscal agency .....		3,178,500
House of representatives .....		43,152,000
House automated data processing .....		1,694,500
House fiscal agency .....		2,993,500
Legislative auditor general .....		15,700,900
GROSS APPROPRIATION .....	\$	98,166,100

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Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDCIS, liquor purchase revolving fund .....	\$ 63,300
IDG from MDCS .....	80,700
IDG from MDOT, comprehensive transportation fund .....	48,200
IDG from MDOT, Michigan transportation fund .....	138,000
IDG from MDOT, state aeronautics fund .....	17,100
IDG from MDOT, state trunkline fund .....	404,200
IDG, single audit act .....	876,100
Special revenue funds:	
Construction lien fund .....	12,400
Contract audit administration fees .....	44,400
Correctional industries revolving fund .....	33,700
Game and fish protection fund .....	21,400
Marine safety fund .....	1,900
Michigan economic development corporation .....	46,200
Michigan state fair revolving fund .....	30,000
Michigan state housing development authority fees .....	56,800
Michigan strategic fund .....	20,600
Michigan veterans trust fund .....	22,600
Motor transport revolving fund .....	40,600
Office services revolving fund .....	29,300
State services fee fund .....	1,055,100
Waterways fund .....	5,600
State general fund/general purpose .....	\$ 95,117,900
<b>(3) LEGISLATIVE COUNCIL</b>	
Legislative council .....	\$ 11,210,800
Legislative service bureau automated data processing .....	1,486,600
e-Law, legislative council technology enhancement project .....	200,000
Legislative corrections ombudsman .....	546,300
Worker's compensation .....	150,500
National association dues .....	381,600
<b>GROSS APPROPRIATION</b> .....	\$ 13,975,800
Appropriated from:	
Special revenue funds:	
Private - gifts and bequests revenues .....	400,000
State general fund/general purpose .....	\$ 13,575,800
<b>(4) LEGISLATIVE RETIREMENT SYSTEM</b>	
General nonretirement expenses .....	\$ 4,194,200
<b>GROSS APPROPRIATION</b> .....	\$ 4,194,200
Appropriated from:	
Special revenue funds:	
Court fees .....	1,109,800
State general fund/general purpose .....	\$ 3,084,400
<b>(5) PROPERTY MANAGEMENT</b>	
Capitol building .....	\$ 2,215,400
Cora Anderson building .....	7,118,300
Farnum building and other properties .....	690,400
<b>GROSS APPROPRIATION</b> .....	\$ 10,024,100
Appropriated from:	
State general fund/general purpose .....	\$ 10,024,100
<b>Sec. 108. DEPARTMENT OF MANAGEMENT AND BUDGET</b>	
<b>(1) APPROPRIATION SUMMARY</b>	
Full-time equated unclassified positions .....	6.0
Full-time equated classified positions .....	848.5
<b>GROSS APPROPRIATION</b> .....	\$ 188,098,300

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Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	\$ 109,548,100
ADJUSTED GROSS APPROPRIATION .....	\$ 78,550,200
Federal revenues:	
Total federal revenues .....	358,600
Special revenue funds:	
Total local revenues .....	0
Total private revenues .....	0
Total other state restricted revenues .....	35,355,300
State general fund/general purpose .....	\$ 42,836,300
<b>(2) MANAGEMENT AND BUDGET SERVICES</b>	
Full-time equated unclassified positions .....6.0	
Full-time equated classified positions .....669.0	
Unclassified positions—6.0 FTE positions.....	\$ 570,800
Departmentwide services—57.5 FTE positions .....	11,424,300
Statewide administrative services—292.0 FTE positions .....	27,110,700
Statewide support services—319.5 FTE positions.....	101,621,200
GROSS APPROPRIATION .....	\$ 140,727,000
Appropriated from:	
Interdepartmental grant revenues:	
IDG from building occupancy and parking charges .....	100,548,600
IDG from department of career development .....	100,000
IDG from MDCH.....	235,000
IDG from MDOT, comprehensive transportation fund .....	46,800
IDG from MDOT, state aeronautics fund .....	26,300
IDG from MDOT, state trunkline fund.....	1,065,600
IDG from user fees .....	4,605,300
Federal revenues:	
Federal - MESA, administration fund .....	300,000
Special revenue funds:	
Game and fish protection fund.....	220,100
Health management funds.....	1,269,400
Marine safety fund.....	19,700
MAIN user charges.....	627,500
Special revenue, internal service, and pension trust funds .....	4,904,500
State building authority revenue.....	517,900
State lottery fund .....	137,300
State sponsored group insurance, flexible spending accounts and COBRA.....	4,778,300
Waterways fund .....	47,000
State general fund/general purpose .....	\$ 21,277,700
<b>(3) STATEWIDE APPROPRIATIONS</b>	
Professional development fund - AFSCME.....	\$ 400,000
Professional development fund - MPES .....	105,000
Professional development fund - UAW .....	900,000
Severance pay fund - AFSCME.....	500,000
Severance pay fund - UAW.....	100,000
GROSS APPROPRIATION .....	\$ 2,005,000
Appropriated from:	
Interdepartmental grant revenues:	
IDG from employer contributions .....	2,005,000
State general fund/general purpose .....	\$ 0
<b>(4) SPECIAL PROGRAMS</b>	
Full-time equated classified positions .....179.5	
Building occupancy charges - property management services for executive/legislative building occupancy .....	\$ 1,930,300
Retirement services—165.5 FTE positions .....	15,333,800
Office of children's ombudsman—14.0 FTE positions .....	1,204,300
GROSS APPROPRIATION .....	\$ 18,468,400

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Appropriated from:	
Special revenue funds:	
Deferred compensation .....	\$ 1,380,800
Pension trust funds.....	13,953,000
State general fund/general purpose .....	\$ 3,134,600
<b>(5) INFORMATION TECHNOLOGY</b>	
Information technology services and projects .....	\$ 27,434,300
GROSS APPROPRIATION .....	\$ 27,434,300
Appropriated from:	
Interdepartmental grant revenues:	
IDG from building occupancy and parking charges .....	655,700
IDG from MDOT, comprehensive transportation fund .....	3,100
IDG from MDOT, state aeronautics fund .....	1,600
IDG from MDOT, state trunkline fund.....	68,300
IDG from user fees .....	186,800
Federal revenues:	
Federal - MESA, administration fund .....	58,600
Special revenue funds:	
Deferred compensation .....	2,600
Game and fish protection fund.....	13,100
Health management funds.....	40,100
Marine safety fund.....	1,400
MAIN user charges.....	4,069,500
Pension trust funds.....	762,300
Special revenue, internal service, and pension trust funds .....	2,445,500
State building authority revenue.....	9,700
State lottery fund .....	13,400
State sponsored group insurance, flexible spending accounts and COBRA.....	139,500
Waterways fund .....	2,700
State general fund/general purpose .....	\$ 18,960,400
<b>(6) EARLY RETIREMENT AND BUDGETARY SAVINGS</b>	
Early retirement savings .....	\$ (102,700)
Budgetary savings.....	(433,700)
GROSS APPROPRIATION .....	\$ (536,400)
Appropriated from:	
State general fund/general purpose .....	\$ (536,400)
<b>Sec. 109. DEPARTMENT OF STATE</b>	
<b>(1) APPROPRIATION SUMMARY</b>	
Full-time equated unclassified positions .....	6.0
Full-time equated classified positions .....	1,847.8
GROSS APPROPRIATION .....	\$ 180,055,800
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	96,493,000
ADJUSTED GROSS APPROPRIATION.....	\$ 83,562,800
Federal revenues:	
Total federal revenues .....	1,319,500
Special revenue funds:	
Total local revenues .....	0
Total private revenues .....	100
Total other state restricted revenues .....	65,274,200
State general fund/general purpose .....	\$ 16,969,000
<b>(2) EXECUTIVE DIRECTION</b>	
Full-time equated unclassified positions .....	6.0
Full-time equated classified positions .....	27.2
Secretary of state .....	\$ 132,900
Unclassified positions—5.0 FTE positions.....	476,300

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Operations—27.2 FTE positions .....	\$ 1,874,200
GROSS APPROPRIATION .....	\$ 2,483,400
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDOT, Michigan transportation fund.....	924,700
Special revenue funds:	
Auto repair facilities fees.....	50,700
Driver fees .....	85,200
Expedient service fees .....	43,400
Look-up fees.....	391,600
Parking ticket court fines .....	6,900
Personal identification card fees .....	10,200
Reinstatement fees - operator licenses .....	90,400
Vehicle theft prevention fees.....	29,800
State general fund/general purpose .....	\$ 850,500
<b>(3) DEPARTMENT SERVICES</b>	
Full-time equated classified positions .....	170.3
Operations—163.8 FTE positions .....	\$ 20,087,500
Assigned claims assessments—6.5 FTE positions.....	644,200
GROSS APPROPRIATION .....	\$ 20,731,700
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDOT, Michigan transportation fund.....	11,349,500
Federal revenues:	
Federal funds .....	50,300
Special revenue funds:	
Assigned claims assessments .....	644,200
Auto repair facilities fees.....	375,100
Child support clearance fees .....	31,000
Driver fees .....	472,800
Expedient service fees .....	224,300
Look-up fees.....	6,523,100
Marine safety fund.....	67,400
Off-road vehicle title fees .....	6,900
Parking ticket court fines .....	47,500
Personal identification card fees .....	75,000
Reinstatement fees - operator licenses .....	450,000
Scrap tire fund .....	61,900
Snowmobile registration fee revenue .....	15,900
Vehicle theft prevention fees.....	219,900
State general fund/general purpose .....	\$ 116,900
<b>(4) REGULATORY SERVICES</b>	
Full-time equated classified positions .....	254.1
Operations—152.4 FTE positions .....	\$ 12,406,200
Auto regulations—101.7 FTE positions .....	7,346,100
GROSS APPROPRIATION .....	\$ 19,752,300
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDOT, Michigan transportation fund.....	7,637,600
Federal revenues:	
Federal funds .....	85,900
Special revenue funds:	
Auto repair facilities fees.....	3,892,700
Commercial driver training school fees.....	59,100
Driver fees .....	988,700
Expedient service fees .....	27,900

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Look-up fees .....	\$ 3,907,700
Motorcycle safety fund .....	99,400
Parking ticket court fines .....	7,600
Personal identification card fees .....	39,900
Reinstatement fees - operator licenses .....	1,483,300
Vehicle theft prevention fees.....	1,324,900
State general fund/general purpose .....	\$ 197,600
<b>(5) CUSTOMER DELIVERY SERVICES</b>	
Full-time equated classified positions .....	1,367.7
Branch operations—969.4 FTE positions.....	\$ 66,280,400
Central records—372.6 FTE positions .....	27,930,200
Record administration—9.5 FTE positions .....	806,000
Commemorative license plates—16.2 FTE positions .....	2,147,300
Specialty license plates .....	3,915,000
Olympic center plate.....	75,700
Organ donor program.....	104,100
GROSS APPROPRIATION .....	\$ 101,258,700
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDOT, Michigan transportation fund.....	57,323,800
Federal revenues:	
Federal funds .....	1,183,300
Special revenue funds:	
Private funds .....	100
Auto repair facilities fees.....	79,400
Child support clearance fees .....	340,300
Driver fees .....	11,273,300
Expedient service fees .....	2,500,300
Look-up fees.....	14,715,400
Marine safety fund.....	980,800
Michigan state police auto theft fund.....	100,000
Mobile home commission fees.....	407,100
Motorcycle safety fund .....	30,100
Off-road vehicle title fees .....	104,900
Olympic center training fund .....	75,700
Parking ticket court fines .....	1,393,100
Personal identification card fees .....	1,312,700
Reinstatement fees - operator licenses .....	996,000
Snowmobile registration fee revenue .....	287,300
State services fee fund .....	1,000,000
Vehicle theft prevention fees.....	180,600
State general fund/general purpose .....	\$ 6,974,500
<b>(6) ELECTION REGULATION</b>	
Full-time equated classified positions .....	28.5
Election administration and services—25.5 FTE positions.....	\$ 2,849,500
Fees to local units .....	69,800
Qualified voter file—3.0 FTE positions .....	1,372,400
GROSS APPROPRIATION .....	\$ 4,291,700
Appropriated from:	
State general fund/general purpose .....	\$ 4,291,700
<b>(7) DEPARTMENTWIDE APPROPRIATIONS</b>	
Building occupancy charges/rent.....	\$ 10,531,100
Worker's compensation .....	740,000
GROSS APPROPRIATION .....	\$ 11,271,100
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDOT, Michigan transportation fund.....	4,784,200

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Special revenue funds:	
Auto repair facilities fees .....	\$ 158,500
Driver fees .....	487,400
Expedient service fees .....	16,100
Look-up fees .....	1,973,400
Parking ticket court fines .....	525,500
State general fund/general purpose .....	\$ 3,326,000
<b>(8) INFORMATION TECHNOLOGY</b>	
Information technology services and projects .....	\$ 21,044,700
GROSS APPROPRIATION .....	\$ 21,044,700
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDOT, Michigan transportation fund .....	14,473,200
Special revenue funds:	
Administrative order processing fee .....	10,500
Auto repair facilities fees .....	170,500
Child support clearance fees .....	15,400
Driver fees .....	629,900
Expedient service fees .....	462,800
Look-up fees .....	2,583,100
Parking ticket court fines .....	78,700
Personal identification card fees .....	26,100
Reinstatement fees - operator licenses .....	442,400
Vehicle theft prevention fees .....	162,500
State general fund/general purpose .....	\$ 1,989,600
<b>(9) EARLY RETIREMENT AND BUDGETARY SAVINGS</b>	
Early retirement savings .....	\$ (594,900)
Budgetary savings .....	(182,900)
GROSS APPROPRIATION .....	\$ (777,800)
Appropriated from:	
State general fund/general purpose .....	\$ (777,800)
<b>Sec. 110. DEPARTMENT OF TREASURY</b>	
<b>(1) APPROPRIATION SUMMARY</b>	
Full-time equated unclassified positions .....	9.0
Full-time equated classified positions .....	1,852.5
GROSS APPROPRIATION .....	\$ 1,961,566,900
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	19,445,300
ADJUSTED GROSS APPROPRIATION .....	\$ 1,942,121,600
Federal revenues:	
Total federal revenues .....	44,296,100
Special revenue funds:	
Total local revenues .....	910,800
Total private revenues .....	0
Total other state restricted revenues .....	1,775,833,900
State general fund/general purpose .....	\$ 121,080,800
<b>(2) EXECUTIVE DIRECTION</b>	
Full-time equated unclassified positions .....	9.0
Full-time equated classified positions .....	4.0
Unclassified positions—9.0 FTE positions .....	\$ 800,900
Office of the director—4.0 FTE positions .....	543,400
GROSS APPROPRIATION .....	\$ 1,344,300
Appropriated from:	
Special revenue funds:	
State lottery fund .....	139,500
State services fee fund .....	150,800
State general fund/general purpose .....	\$ 1,054,000

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**(3) DEPARTMENTWIDE APPROPRIATIONS**

Travel.....	\$	1,815,900
Rent and building occupancy charges - property management services.....		6,464,100
Worker's compensation insurance premium .....		485,000
<b>GROSS APPROPRIATION .....</b>	<b>\$</b>	<b>8,765,000</b>

Appropriated from:

Interdepartmental grant revenues:

IDG from MDOT, state aeronautics fund .....		2,700
IDG, state agency collection fees.....		17,900

Special revenue funds:

Delinquent tax collection revenue .....		3,926,700
Municipal finance fees .....		11,200
Treasury fees.....		18,900
Waterways fund .....		2,300
State general fund/general purpose .....	\$	4,785,300

**(4) LOCAL GOVERNMENT PROGRAMS**

Full-time equated classified positions .....	99.0	
Supervision of the general property tax law—66.5 FTE positions .....	\$	9,460,600
Property tax assessor training—4.0 FTE positions .....		360,600
Local finance—28.5 FTE positions .....		1,688,500
State compliance audits.....		60,000
Pari-mutuel audits .....		240,000
<b>GROSS APPROPRIATION .....</b>	<b>\$</b>	<b>11,809,700</b>

Appropriated from:

Special revenue funds:

Local - assessor training fees .....		360,600
Local - audit charges.....		457,200
Local - equalization study charge-backs .....		40,000
Local - revenue from local government.....		50,000
Land reutilization fund.....		3,985,700
Municipal finance fees .....		236,500
State services fee fund .....		240,000
State general fund/general purpose .....	\$	6,439,700

**(5) TAX PROGRAMS**

Full-time equated classified positions .....	836.5	
Revenue—828.5 FTE positions .....	\$	56,189,800
Home heating assistance .....		1,600,000
Michigan underground storage tank assurance fund—4.0 FTE positions .....		224,400
Joint federal/state motor fuel compliance project.....		100,000
Bottle bill implementation .....		250,000
New hire reporting .....		1,545,000
Tobacco tax collection—4.0 FTE positions.....		210,600
<b>GROSS APPROPRIATION .....</b>	<b>\$</b>	<b>60,119,800</b>

Appropriated from:

Interdepartmental grant revenues:

IDG, data/collection services fees .....		250,900
IDG from FIA .....		1,545,000
IDG from MDCH.....		210,600
IDG from MDOT, Michigan transportation fund.....		8,225,000
IDG from MDOT, state aeronautics fund .....		43,100

Federal revenues:

DOT-FHA, intermodal surface transportation efficiency act.....		100,000
HHS-SSA, low-income energy assistance .....		1,600,000

Special revenue funds:

Bottle deposit fund.....		250,000
Children's trust fund .....		6,500

	For Fiscal Year Ending Sept. 30, 2003
Delinquent tax collection revenue .....	\$ 38,132,400
Michigan underground storage tank financial assurance revenue .....	224,400
Tobacco tax revenue.....	328,500
Waterways fund .....	56,200
State general fund/general purpose .....	\$ 9,147,200
<b>(6) BANKING AND MANAGEMENT SERVICES</b>	
Full-time equated classified positions .....	354.5
Administrative services—122.5 FTE positions.....	\$ 13,131,100
Financial services— 232.0 FTE positions .....	16,078,500
<b>GROSS APPROPRIATION</b> .....	<u>\$ 29,209,600</u>
Appropriated from:	
Interdepartmental grant revenues:	
IDG from FIA, title IV-D.....	501,100
IDG from MDOT, state aeronautics fund .....	16,900
IDG, levy/warrant cost assessment fees .....	1,810,800
IDG, receipt, warrant and cash processing fees.....	3,722,300
IDG, state agency collection fees.....	450,100
Special revenue funds:	
Delinquent tax collection revenue .....	10,089,100
Escheats revenue .....	2,972,500
Garnishment fees .....	419,800
Treasury fees.....	162,100
Waterways fund .....	18,100
State general fund/general purpose .....	\$ 9,046,800
<b>(7) FINANCIAL PROGRAMS</b>	
Full-time equated classified positions .....	298.5
Retirement investments—86.5 FTE positions.....	\$ 11,671,700
Michigan merit award board/MEAP administration—21.0 FTE positions.....	28,827,300
Michigan education savings program .....	1,000,000
Common cash investments and debt management—13.5 FTE positions.....	1,018,600
Student financial assistance programs—177.5 FTE positions.....	33,431,700
<b>GROSS APPROPRIATION</b> .....	<u>\$ 75,949,300</u>
Appropriated from:	
Interdepartmental grant revenues:	
IDG, fiscal agent service fees .....	147,400
Federal revenues:	
DED-OPSE, federal lenders allowance .....	9,509,700
DED-OESE, grants for federal assessments .....	10,698,800
DED-OPSE, higher education act of 1965, insured loans.....	21,887,600
Special revenue funds:	
College work-study .....	46,300
Michigan merit award trust fund .....	19,497,600
Retirement funds.....	11,671,700
School bond fees.....	401,600
Treasury fees.....	230,900
State general fund/general purpose .....	\$ 1,857,700
<b>(8) DEBT SERVICE</b>	
Water pollution control bond and interest redemption.....	\$ 2,750,400
Quality of life bond .....	40,900,000
Clean Michigan initiative.....	15,936,000
<b>GROSS APPROPRIATION</b> .....	<u>\$ 59,586,400</u>
Appropriated from:	
Special revenue funds:	
State general fund/general purpose .....	\$ 59,586,400
<b>(9) GRANTS</b>	
Grants to counties in lieu of taxes.....	\$ 10,000

	For Fiscal Year Ending Sept. 30, 2003
Convention facility development distribution.....	\$ 48,000,000
Senior citizen cooperative housing tax exemption program.....	14,350,600
Commercial mobile radio service payments.....	24,000,000
Health and safety fund grants .....	23,500,000
Tax increment finance authority payments.....	500,100
City of Benton Harbor - enterprise zone .....	85,400
<b>GROSS APPROPRIATION .....</b>	<b>\$ 110,446,100</b>
Appropriated from:	
Special revenue funds:	
Commercial mobile radio service fees .....	24,000,000
Convention facility development fund.....	48,000,000
Health and safety fund.....	23,500,000
State general fund/general purpose .....	\$ 14,946,100
<b>(10) STATE LOTTERY</b>	
Full-time equated classified positions .....	164.0
Lottery operations—164.0 FTE positions.....	\$ 15,325,600
Promotion and advertising .....	18,372,000
<b>GROSS APPROPRIATION .....</b>	<b>\$ 33,697,600</b>
Appropriated from:	
Special revenue funds:	
State lottery fund.....	33,697,600
State general fund/general purpose .....	\$ 0
<b>(11) CASINO GAMING</b>	
Full-time equated classified positions .....	96.0
Michigan gaming control board .....	\$ 500,000
Casino gaming control administration—96.0 FTE positions .....	16,130,200
<b>GROSS APPROPRIATION .....</b>	<b>\$ 16,630,200</b>
Appropriated from:	
Special revenue funds:	
Casino gambling agreements.....	383,500
State services fee fund .....	16,246,700
State general fund/general purpose .....	\$ 0
<b>(12) REVENUE SHARING</b>	
Constitutional state general revenue sharing grants.....	\$ 679,430,000
Statutory state general revenue sharing grants .....	844,170,000
Grants to local governmental units.....	9,900,000
<b>GROSS APPROPRIATION .....</b>	<b>\$ 1,533,500,000</b>
Appropriated from:	
Special revenue funds:	
Sales tax .....	1,523,600,000
State general fund/general purpose .....	\$ 9,900,000
<b>(13) INFORMATION TECHNOLOGY</b>	
Information technology services and projects .....	\$ 23,208,300
<b>GROSS APPROPRIATION .....</b>	<b>\$ 23,208,300</b>
Appropriated from:	
Interdepartmental grant revenues:	
IDG, receipt, warrant and cash processing fees.....	14,000
IDG, user services.....	487,500
IDG from MDOT, Michigan transportation fund.....	2,000,000
Federal revenues:	
DED-OPSE, higher education act of 1965, insured loans.....	500,000
Special revenue funds:	
Local - assessor training fees .....	3,000
Delinquent tax collection revenue .....	8,165,900
Land reutilization fund.....	20,000
Michigan merit award trust fund.....	393,000

	For Fiscal Year Ending Sept. 30, 2003
Retirement funds.....	\$ 616,000
State lottery fund.....	3,229,300
State services fee fund.....	762,600
State general fund/general purpose.....	\$ 7,017,000
<b>(14) EARLY RETIREMENT AND BUDGETARY SAVINGS</b>	
Early retirement savings.....	\$ (2,156,500)
Budgetary savings.....	(542,900)
GROSS APPROPRIATION.....	\$ (2,699,400)
Appropriated from:	
State general fund/general purpose.....	\$ (2,699,400)

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS

**GENERAL SECTIONS**

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2002-2003 is \$2,263,155,400.00 and state spending from state resources to be paid to local units of government for fiscal year 2002-2003 is \$1,631,549,900.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

**DEPARTMENT OF STATE**

Fees to local units.....	\$ 69,800
Subtotal.....	\$ 69,800

**DEPARTMENT OF TREASURY**

Senior citizen cooperative housing tax exemption.....	\$ 14,350,600
Grants to counties in lieu of taxes.....	10,000
Health and safety fund grants.....	23,500,000
City of Benton Harbor enterprise zone.....	85,400
Constitutional state general revenue sharing grants.....	679,430,000
Statutory state general revenue sharing grants.....	844,170,000
Grants to local units of government.....	9,900,000
Convention facility development fund distribution.....	48,000,000
Tax increment finance authority payments.....	500,100
Commercial mobile radio service payments.....	11,534,000
Subtotal.....	\$ 1,631,480,100
<b>TOTAL GENERAL GOVERNMENT.....</b>	<b>\$ 1,631,549,900</b>

(2) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources for fiscal year 2002-2003 is estimated at \$26,549,985,085.00 in the 2002-2003 appropriations acts and total state spending from state sources paid to local units of government for fiscal year 2002-2003 is estimated at \$16,191,287,780.00. The state-local proportion is estimated at 61.0% of total state spending from state resources.

(3) If payments to local units of government and state spending from state sources for fiscal year 2002-2003 are different than the amounts estimated in subsection (2), the state budget director shall report the payments to local units of government and state spending from state sources that were made for fiscal year 2002-2003 to the senate and house of representatives standing committees on appropriations within 30 days after the final bookclosing for fiscal year 2002-2003.

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

Sec. 203. As used in this act:

- (a) "AFSCME" means American federation of state, county, and municipal employees.
- (b) "COBRA" means the consolidated omnibus budget reconciliation act of 1985, Public Law 99-272, 100 Stat. 82.
- (c) "CPI" means consumer price index.
- (d) "DAG" means the United States department of agriculture.
- (e) "DED-OESE" means the United States department of education, office of elementary and secondary education.
- (f) "DED-OPSE" means the United States department of education, office of postsecondary education.
- (g) "DOI-NPS" means the United States department of the interior, national park service.
- (h) "DOJ" means the United States department of justice.
- (i) "DOL-ETA" means the United States department of labor, employment and training administration.
- (j) "DOL-OSHA" means the United States department of labor, occupational safety and health administration.
- (k) "DOT-FHA" means the United States department of transportation, federal highway administration.

- (l) "EEOC" means the United States equal employment opportunity commission.
- (m) "EPA" means the United States environmental protection agency.
- (n) "FIA" means the Michigan family independence agency.
- (o) "FTE" means full-time equated.
- (p) "GF/GP" means general fund/general purpose.
- (q) "HHS" means the United States department of health and human services.
- (r) "HHS-OS" means the HHS office of the secretary.
- (s) "HHS-SSA" means the HHS social security administration.
- (t) "HUD" means the United States department of housing and urban development.
- (u) "IDG" means interdepartmental grant.
- (v) "MAIN" means the Michigan administrative information network.
- (w) "MCL" means the Michigan Compiled Laws.
- (x) "MDA" means the Michigan department of agriculture.
- (y) "MDCH" means the Michigan department of community health.
- (z) "MDCIS" means the Michigan department of consumer and industry services.
- (aa) "MDCS" means the Michigan department of civil service.
- (bb) "MDOT" means the Michigan department of transportation.
- (cc) "MDSP" means the Michigan department of state police.
- (dd) "MEAP" means the Michigan educational assessment program.
- (ee) "MESA" means the Michigan employment security agency.
- (ff) "MPES" means the Michigan professional employees society.
- (gg) "MSC" means managerial, supervisory, and confidential.
- (hh) "MUSTFA" means Michigan underground storage tank financial assurance.
- (ii) "PA" means public act.
- (jj) "PACC" means the prosecuting attorneys coordinating council.
- (kk) "UAW" means the united auto workers.

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 loss of revenue to the state, result in the inability of the state to receive federal funds, or necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.

Sec. 207. At least 60 days before beginning any effort to privatize, the departments and agencies receiving appropriations in part 1 shall submit a complete project plan to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies within 30 months.

Sec. 208. Unless otherwise specified, departments and agencies receiving appropriations in part 1 shall use the Internet to fulfill the reporting requirements of this act. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

Sec. 209. Funds appropriated in part 1 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. Pursuant to section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, that provides for a transfer of state general funds into the countercyclical budget and economic stabilization fund, there is appropriated into the countercyclical budget and economic stabilization fund the sum of \$0.0. The calculation required by section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, is determined as follows:

	2001	2002
Michigan personal income (millions).....	\$295,108	\$303,666
less: transfer payments .....	40,958	44,256
Subtotal .....	<u>254,150</u>	<u>259,411</u>
Divided by: Detroit CPI for 12 months		
Ending June 30 (1982=1.00).....	1.729	1.762
Equals: real adjusted Michigan personal income .....	\$146,992	\$147,238
Percentage change .....		0.2%
Percentage change under 0% .....		0.2%
Multiplied by: estimated GF/GP revenue in FY 2001-2002 (millions).....		8,406.0
Equals: countercyclical budget and economic stabilization fund calculation for the fiscal year ending September 30, 2003 .....		\$0.0

Sec. 212. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed.

Sec. 213. Funds appropriated in part 1 shall not be used by this state, a department, an agency, or an authority of this state to purchase an ownership interest in a casino enterprise or a gambling operation as those terms are defined in the Michigan gaming control and revenue act, the Initiated Law of 1996, MCL 432.201 to 432.226.

Sec. 214. From the funds appropriated in part 1 for information technology, departments and agencies shall pay user fees to the department of information technology for technology-related services and projects. Such user fees shall be subject to provisions of an interagency agreement between the departments and agencies and the department of information technology.

Sec. 215. A department or state agency shall not take disciplinary action against an employee for communicating with a member of the legislature or their staff.

Sec. 216. (1) The negative appropriations for early retirement savings in part 1 shall be satisfied by savings realized from not filling all of the positions lost due to the early retirement plan for state employees enacted in 2002 PA 93 amendments to the state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69.

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

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

#### **DEPARTMENT OF ATTORNEY GENERAL**

Sec. 300. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,500,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,500,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

Sec. 301. (1) The attorney general shall perform all legal services, including representation before courts and administrative agencies rendering legal opinions and providing legal advice to a principal executive department or state agency. A principal executive department or state agency shall not employ or enter into a contract with any other person for services described in this section.

(2) The attorney general shall defend judges of all state courts if a claim is made or a civil action is commenced for injuries to persons or property caused by the judge through the performance of the judge's duties while acting within the scope of his or her authority as a judge.

(3) The attorney general shall perform the duties specified in 1846 RS 12, MCL 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to 14.102, and as otherwise provided by law.

Sec. 302. The attorney general may sell copies of the biennial report in excess of the 500 copies that the attorney general may distribute on a gratis basis. The attorney general shall sell copies of the report at not less than the actual cost of the report and shall deposit the money received into the general fund.

Sec. 303. The department of attorney general has retained the responsibility for legal representation for state of Michigan state employee worker's disability compensation cases handled by the accident fund company. The accident fund company revenue appropriation in part 1 is to be satisfied by billings from the department of attorney general to the accident fund company for the actual costs of legal representation, including salaries and support costs.

Sec. 304. In addition to the funds appropriated in part 1, up to \$400,000.00 shall be reimbursed per fiscal year for food stamp fraud cases heard by the third circuit court of Wayne County that were initiated by the department of attorney general pursuant to the existing contract between the family independence agency, the prosecuting attorneys association of Michigan, and the department of attorney general. The source of this funding is money earned by the department of attorney general under the agreement after the allowance for reimbursement to the department of attorney general for costs associated with the prosecution of food stamp fraud cases. It is recognized that the federal funds are earned by the department of attorney general for its documented progress on the prosecution of food stamp fraud cases according to the United States department of agriculture regulations and that once earned by this state, the funds become state funds.

Sec. 305. Any proceeds from a lawsuit initiated by or settlement agreement entered into on behalf of this state against a manufacturer of tobacco products by the attorney general are state funds and are subject to appropriation as provided by law.

Sec. 306. Any unobligated antitrust enforcement revenue in excess of the funds appropriated in part 1, not to exceed \$250,000.00, is carried forward and available for appropriation in the succeeding fiscal year.

Sec. 307. In addition to the funds appropriated in part 1, there is appropriated up to \$500,000.00 from litigation expense reimbursements awarded to the state. The funds may be expended for the payment of attorney fees assessed against the governor or the attorney general when acting in an official capacity as the named party in litigation against the state. The funds may also be expended for the payment of state costs incurred under section 16 of chapter X of the code of criminal procedure, 1927 PA 175, MCL 770.16. Unexpended funds at the end of the fiscal year are carried forward for expenditure in the following year, up to a maximum authorization of \$500,000.00.

Sec. 308. Effective January 1, 2003, the annual salary for the attorney general shall be \$135,500.00, unless an amendment to the state constitution gives the state officers compensation commission the authority to determine the salary of the attorney general.

#### **DEPARTMENT OF CIVIL RIGHTS**

Sec. 400. In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$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 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 401. (1) In addition to the appropriations contained in part 1, the department of civil rights may receive and expend funds from local or private sources for all of the following purposes:

- (a) Developing and presenting training for employers on equal employment opportunity law and procedures.
- (b) The publication and sale of civil rights related informational material.
- (c) The provision of copy material made available under freedom of information requests.
- (d) Other copy fees, subpoena fees, and witness fees.
- (e) Developing, presenting, and participating in mediation processes for certain civil rights cases.
- (f) Workshops, seminars, and recognition or award programs consistent with the programmatic mission of the individual unit sponsoring or coordinating the programs.

(2) The department of civil rights shall annually report to the state budget director, the senate and house of representatives standing committees on appropriations, and the senate and house fiscal agencies the amount of funds received and expended for purposes authorized under this section.

Sec. 402. The department of civil rights may contract with local units of government to review equal employment opportunity compliance of potential contractors and may charge for and expend amounts received from local units of government for the purpose of developing and providing these contractual services.

#### **DEPARTMENT OF CIVIL SERVICE**

Sec. 500. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 501. (1) All restricted funds shall be assessed a sum not less than 1% of the total aggregate payroll paid from those funds for financing the department of civil service on the basis of actual 1% restricted sources total aggregate payroll of the classified service for fiscal year 2002 in accordance with section 5 of article XI of the state constitution of 1963. This includes, but is not limited to, restricted funds appropriated in part 1 of any appropriations bill. Unexpended 1% appropriated funds shall be returned to each 1% fund source at the end of the fiscal year.

(2) The 1% financing from restricted sources shall be credited to the department of civil service by the end of the second fiscal quarter.

Sec. 502. Except where specifically appropriated for this purpose, 1% of the financing from restricted sources shall be credited to the department of civil service. For restricted sources of funding within the general fund that have the legislative authority for carryover, if current spending authorization or revenues are insufficient to accept the charge, the shortage shall be taken from carryforward balances of that funding source. Restricted revenue sources that do not have carryforward authority shall be utilized to satisfy departmental operating deducts first and civil service obligations second. General fund dollars are appropriated for any shortfall, pursuant to approval by the state budget director.

#### **EXECUTIVE OFFICE**

Sec. 550. Funds collected by the executive office under sections 55, 57, 58, and 59 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.255, 24.257, 24.258, and 24.259, and section 203 of the legislative council act, 1986 PA 268, MCL 4.1203, are appropriated for all expenses necessary to provide for the costs of publication and distribution. The funds appropriated under this section are allotted 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.

#### **INFORMATION TECHNOLOGY**

Sec. 570. In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$40,000,000.00 for interdepartmental grant contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 571. The appropriation in part 1 for the department of information technology shall be funded by user fees assessed against other principal executive departments and agencies. Such user fees shall be based upon services provided by the department of information technology.

Sec. 572. (1) The e-Michigan office may sell and accept paid advertising for placement on any state website under its jurisdiction. The office shall review and approve the content of each advertisement. The office may refuse to accept advertising from any person or organization or require modification to advertisements based upon criteria determined by the office. Revenue received under this subsection will be used for operating costs of the office and for future technology enhancements to state of Michigan e-government initiatives. Funds received under this subsection shall be limited to \$250,000.00. Any funds in excess of \$250,000.00 shall be deposited in the state general fund.

(2) The e-Michigan office may accept gifts, donations, contributions, bequests, and grants of money from any public or private source to assist with the underwriting or sponsorship of state web pages or services offered on those web pages. A private or public funding source may receive recognition in the web page. The office may reject a gift, donation, contribution, bequest, or grant.

(3) The e-Michigan office may enter into agreements to supply services to other principal executive departments and agencies. The e-Michigan office may receive and expend funds in addition to those authorized in 2000 PA 291 for providing those services. The e-Michigan office may expend amounts received for salaries, supplies, services, and equipment necessary to provide e-Michigan services.

(4) Funds accepted by the e-Michigan office under subsections (1), (2), and (3) are appropriated and allotted when received and may be expended upon receipt.

(5) Any unexpended revenue received under this section shall not lapse to the general fund and shall be available for future appropriations.

(6) The e-Michigan office shall develop a search function of all state departments and agencies. This search function shall be easily accessible to visitors on the front page of the state's website.

(7) The privacy policy adopted by the e-Michigan office shall include the following provisions:

(a) Instruction on how visitors can set their browsers to be warned before each cookie is written to a visitor's computer.

(b) The e-Michigan office will also include instructions for visitors to inform them how to view and remove cookies on their personal computers.

(8) By April 1, the e-Michigan office shall report to the senate and house of representatives standing committees on appropriations and the senate and house fiscal agencies all of the following information:

(a) The amount of gifts, donations, contributions, bequests, and grants of money received by the office under this section for the immediately preceding fiscal year.

(b) A listing of the expenditures made from the amounts received by the office as reported in subdivision (a).

(c) A listing of any gift, donation, contribution, bequest, or grant of property other than funding received by the office under this section for the immediately preceding year.

(d) The total revenue received from the sale of paid advertising accepted under this section and a statement of the total number of advertising transactions.

Sec. 573. The department of information technology may enter into agreements to supply census information, spatial information, and technical services to other principal executive departments, state agencies, local units of government, and other organizations. The department of information technology may receive and expend funds in addition to those authorized in part 1 for providing information and technical services, publications, maps, and other census-related products. The department of information technology may expend amounts received for salaries, supplies, and equipment necessary to provide informational products and technical services.

Sec. 574. The legislature shall have access to all historical and current data contained within MAIN pertaining to state departments. State departments shall have access to all historical and current data contained within MAIN.

Sec. 575. Recognizing that all records, personnel, property, equipment, grants, and unexpended balances of appropriations, allocations, and other funds used, held, employed, available, or to be made available to any entity for the activities, powers, duties, functions, and responsibilities are transferred to the department of information technology from other state departments and agencies, it is the intent of the legislature that the department of information technology will transfer their employees from the other state departments and agencies within a reasonable time frame.

Sec. 576. When used in this act, "information technology services" means services involving all aspects of managing and processing information including, but not limited to, all of the following:

- (a) Application development and maintenance.
- (b) Desktop computer support and management.
- (c) Mainframe computer support and management.
- (d) Server support and management.
- (e) Local area network support and management.
- (f) Information technology contract, project, and procurement management.
- (g) Information technology planning and budget management.
- (h) Telecommunication services, security, infrastructure, and support.

**LEGISLATURE**

Sec. 600. The senate, the house of representatives, or an agency within the legislative branch may receive, expend, and transfer funds in addition to those authorized in part 1.

Sec. 601. (1) Funds appropriated in part 1 to an entity within the legislative branch shall not be expended or transferred to another account without written approval of the authorized agent of the legislative entity. If the authorized agent of the legislative entity notifies the state budget director of its approval of an expenditure or transfer, the state budget director shall immediately make the expenditure or transfer. The authorized legislative entity agency shall be designated by the speaker of the house of representatives for house entities, the senate majority leader for senate entities, and the legislative council for legislative council entities.

(2) Funds appropriated within the legislative branch, to a legislative council component, shall not be expended by any agency or other subgroup included in that component without the approval of the legislative council.

Sec. 602. The senate may charge rent and assess charges for utility costs. The amounts received for rent charges and utility assessments are appropriated to the senate for the renovation, operation, and maintenance of the Farnum building and other properties.

Sec. 603. The appropriation contained in part 1 for national association dues is to be distributed in the following manner by the legislative council:

National conference of state legislatures .....	\$	173,900
Council of state governments .....		156,300
National conference of insurance legislators .....		9,400
National conference of commissioners on uniform state laws .....		42,000

Sec. 604. (1) The appropriation in part 1 to the legislative council includes funds to operate the legislative parking facilities in the capitol area. The legislative council shall establish rules regarding the operation of the legislative parking facilities.

(2) The legislative council shall collect a fee from state employees and the general public using certain legislative parking facilities. The revenues received from the parking fees shall be allocated by the legislative council.

Sec. 605. The appropriation in part 1 to the legislative council for publication of the Michigan manual is considered a work project account. The unexpended portion remaining on September 30 shall not lapse and shall be carried forward into the subsequent fiscal year for use in paying the associated biennial costs of publication of the Michigan manual.

Sec. 606. The appropriation in part 1 to the legislative branch, for property management, is considered a work project account. The unexpended portion remaining on September 30 shall not lapse and shall be carried forward into the subsequent fiscal year for the use for which it was intended.

Sec. 607. In addition to funds appropriated in part 1, the Michigan capitol committee publications save the flags fund account may accept contributions, gifts, bequests, devises, grants, and donations. Those funds that are not expended in the fiscal year ending September 30 shall not lapse at the close of the fiscal year and shall be carried forward for expenditure in the following fiscal years.

Sec. 608. Funds appropriated in part 1 for e-Law, the legislative council's technology enhancement project, shall be used to support technology improvements for legislative functions performed by the legislative council agencies and to provide greater access to the public regarding legislative information. These funds, along with funds previously appropriated for the legislative session integration system, are designated as a work project and shall not lapse at the end of the fiscal year, and shall continue to be available for expenditure until the project has been completed. The total cost is estimated at \$3,992,750.00, and the tentative completion date is September 30, 2004.

Sec. 609. The funds appropriated in part 1 shall not be used to pay for health insurance benefits for unmarried domestic partners of legislators or legislative employees.

Sec. 610. In addition to the funds appropriated in part 1 for the legislative auditor general, there is appropriated an amount not to exceed \$500,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 611. Pursuant to section 53 of article IV of the state constitution of 1963, the auditor general shall conduct audits of the judicial branch. The audits may include the supreme court and its administrative units, the court of appeals, and trial courts.

Sec. 612. (1) The auditor general shall take all reasonable steps to ensure that certified minority- and women-owned and operated accounting firms, and accounting firms owned and operated by persons with disabilities participate in the audits of the books, accounts, and financial affairs of each principal executive department, branch, institution, agency, and office of this state.

(2) The auditor general shall strongly encourage firms with which the auditor general contracts to perform audits of the principal executive departments and state agencies to subcontract with certified minority- and women-owned and operated accounting firms, and accounting firms owned and operated by persons with disabilities.

(3) The auditor general shall compile an annual report regarding the number of contracts entered into with certified minority- and women-owned and operated accounting firms, and accounting firms owned and operated by persons with disabilities. The auditor general shall deliver the report to the state budget director and the senate and house of representatives standing committees on appropriations subcommittees on general government by November 1 of each year.

Sec. 614. The auditor general shall report to the state budget director, the senate and house of representatives standing committees on appropriations, and the senate and house fiscal agencies on all recommendations made by the auditor general, in all audit reports, that are not complied with by the audited agencies.

Sec. 615. From the funds appropriated in part 1 to the legislative auditor general, the legislative auditor general's salary shall be \$135,500.00. Funding for the remaining 2.0 FTE unclassified positions is limited to an aggregate amount of \$147,200.00.

Sec. 618. Any audits, reviews, or investigations requested of the auditor general by the legislature or by legislative leadership, legislative committees, or individual legislators should include an estimate of the additional costs involved and, when such costs exceed \$50,000.00, should provide supplemental funding. The auditor general will determine whether to perform such activities in keeping with Audit Directive No. 29, which describes the office of auditor general policy on responding to legislative requests.

#### **DEPARTMENT OF MANAGEMENT AND BUDGET**

Sec. 700. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$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 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 701. Proceeds in excess of necessary costs incurred in the conduct of transfers or auctions of state surplus, salvage, or scrap property made pursuant to section 267 of the management and budget act, 1984 PA 431, MCL 18.1267, are appropriated to the department of management and budget to offset costs incurred in the acquisition and distribution of federal surplus property.

Sec. 702. The department of management and budget may receive and expend funds in addition to those authorized in part 1 for conducting training and orientation workshops and seminars that are consistent with the programmatic mission of the individual unit sponsoring or coordinating the program.

Sec. 703. (1) The department of management and budget may receive and expend funds in addition to those authorized by part 1 for maintenance and operation services provided specifically to other principal executive departments or state agencies, the legislative branch, or the judicial branch or provided in connection with facilities transferred to the operational jurisdiction of the department of management and budget.

(2) The department of management and budget may receive and expend funds in addition to those authorized by part 1 for real estate, architectural, design, and engineering services provided specifically to other principal executive departments or state agencies, the legislative branch, or the judicial branch.

(3) The department of management and budget may receive and expend funds in addition to those authorized in part 1 for mail pickup and delivery services provided specifically to other principal executive departments and state agencies, the legislative branch, or the judicial branch.

(4) The department of management and budget may receive and expend funds in addition to those authorized in part 1 for purchasing services provided specifically to other principal executive departments and state agencies, the legislative branch, or the judicial branch.

Sec. 704. The department of management and budget may enter into agreements to supply census information, spatial information, and technical services to other principal executive departments, state agencies, local units of government, and other organizations. The department of management and budget may receive and expend funds in addition to those authorized in part 1 for providing information and technical services, publications, maps, and other census-related products. The department of management and budget may expend amounts received for salaries, supplies, and equipment necessary to provide informational products and technical services.

Sec. 705. (1) The appropriation in part 1 to the department of management and budget, for statewide appropriations from employer contributions, represents amounts included within the various appropriations for longevity and insurance, whether appropriated as a single line item or commingled with program line items, throughout state government for the current fiscal year for purposes of funding the child care information and referral services, severance pay funds, and professional development funds included within statewide appropriations. Deposits against the interdepartmental grant from employer contributions shall be made from assessments levied against the longevity and insurance appropriations during the current fiscal year in a manner prescribed by the department of management and budget. Any deposits made under this subsection and any unencumbered funds are restricted revenues, may be carried over into the succeeding fiscal years, and are appropriated.

(2) From the funds appropriated in part 1 to the department of management and budget for professional development funds and child care information and referral services, the department of management and budget may expend funds for staff support associated with administration of the professional development funds and child care information and referral services in amounts as may be specified in joint labor/management agreements or through the coordinated compensation hearings process.

(3) In addition to the funds appropriated in part 1 for severance pay funds, the department of management and budget may receive and expend funds from other state agencies for staff support associated with the administration of these funds.

(4) In addition to the funds appropriated in part 1 to the department of management and budget, for statewide appropriations from employer contributions, the department of management and budget may receive and expend funds in such additional amounts as may be specified in joint labor/management agreements or through the coordinated compensation hearings process in the same manner and subject to the same conditions as prescribed in subsections (1), (2), and (3).

Sec. 706. To the extent a specific appropriation is required for a detail source of financing included in part 1 for the department of management and budget appropriations financed from special revenue and internal service and pension trust funds, or MAIN user charges, the specific amounts are appropriated within the special revenue internal service and pension trust funds in portions not to exceed the aggregate amount appropriated in part 1.

Sec. 707. The per diem amounts authorized for the following boards within the department of management and budget are as follows:

(a) Judges retirement board.....	\$	50.00
(b) Public school employees retirement board .....		50.00
(c) State police retirement board.....		50.00
(d) State employees retirement board.....		50.00

Sec. 708. In addition to the funds appropriated in part 1 to the department of management and budget, the department may receive and expend funds from other principal executive departments and state agencies to implement donated annual leave and administrative leave bank transfer provisions as may be specified in joint labor/management agreements. The amounts may also be transferred to other principal executive departments and state agencies under the joint agreement and any amounts transferred under the joint agreement are authorized for receipt and expenditure by the receiving principal executive department or state agency. Any amounts received by the department of management and budget under this section and intended, under the joint labor/management agreements, to be available for use beyond the close of the fiscal year and any unencumbered funds may be carried over into the succeeding fiscal year.

Sec. 709. The appropriation in part 1 for the Michigan administrative information network shall be funded by proportionate charges assessed against the respective state funds benefiting from this project in the amounts determined by the department.

Sec. 710. (1) Deposits against the interdepartmental grant from building occupancy and parking charges appropriated in part 1 shall be collected, in part, from state agencies, the legislative branch, and the judicial branch based on estimated costs associated with maintenance and operation of buildings managed by the department of management and budget. To the extent excess revenues are collected due to estimates of building occupancy charges exceeding actual costs, the excess revenues may be carried forward into succeeding fiscal years for the purpose of returning funds to state agencies.

(2) Appropriations in part 1 to the department of management and budget, for management and budget services from building occupancy charges and parking charges, may be increased to return excess revenue collected to state agencies.

Sec. 711. The appropriation in part 1 to the department of management and budget, for state-sponsored group insurance, flexible spending accounts, and COBRA, represents amounts, in part, included within the various appropriations throughout state government for the current fiscal year to fund the flexible spending account program included within management and budget services. Deposits against state-sponsored group insurance, flexible spending accounts, and COBRA for the flexible spending account program shall be made from assessments levied during the current fiscal year in a manner prescribed by the department of management and budget. Unspent employee contributions to the flexible spending accounts may be used to offset administrative costs for the flexible spending account program, with any remaining balance of unspent employee contributions to be lapsed to the general fund.

Sec. 712. In accordance with section 52 of the state employees' retirement act, 1943 PA 240, MCL 38.52, \$0 is appropriated in part 1 to the health insurance reserve fund of the state employees' retirement system created by section 11(8) of the state employees' retirement act, 1943 PA 240, MCL 38.11, representing the estimated general fund/general purpose savings from implementing the defined contribution retirement plan for the period October 1, 2000 through September 30, 2001.

Sec. 713. The department of management and budget shall notify the chairpersons of the senate and house of representatives standing committees on appropriations and the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government on any revisions exceeding \$500,000.00 to current contracts for computer software development, hardware acquisition, or quality assurance at least 14 days before the department of management and budget finalizes the revisions.

Sec. 715. The department of management and budget shall maintain an internet website that contains notice of all invitations for bids and requests for proposals over \$50,000.00 issued by the department or by any state agency operating under delegated authority. The department shall not accept an invitation for bid or request for proposal in less than 14 days after the notice is made available on the internet website, except in situations where it would be in the best interest of the state and documented by the department. In addition to the requirements of this section, the department may advertise the invitations for bids and requests for proposals in any manner the department determines appropriate, in order to give the greatest number of individuals and businesses the opportunity to make bids or requests for proposals.

Sec. 716. The department of management and budget may receive and expend funds from the Vietnam veterans memorial monument fund for maintenance of the Vietnam veterans memorial monument and the Vietnam memorial park, as provided in 1988 PA 234, MCL 35.1051 to 35.1057. Funds are appropriated and allocated when received and may be expended upon receipt.

Sec. 717. The Michigan veterans' memorial park commission may receive and expend money from any source, public or private, including, but not limited to, gifts, grants, donations of money, and government appropriations, for the purposes described in Executive Order No. 2001-10. Funds are appropriated and allocated when received and may be expended upon receipt. Any deposits made under this section and unencumbered funds are restricted revenues and may be carried over into succeeding fiscal years.

Sec. 718. From the funds appropriated in part 1 to the department of management and budget, the department of management and budget shall not, after the forms that are presently in stock are depleted and new forms are to be ordered, print or authorize the printing of a form that references a city or village, unless that form also references a township in the same size print and same font as the city or village is referenced.

Sec. 719. An amount up to \$1,200,000.00 shall be transferred from the general fund for costs associated with the gubernatorial transition process.

#### **DEPARTMENT OF STATE**

Sec. 800. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$7,500,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$50,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

Sec. 801. All funds made available by section 3171 of the insurance code of 1956, 1956 PA 218, MCL 500.3171, are appropriated and made available to the department of state to be expended only for the uses and purposes for which the funds are received as provided by sections 3171 to 3177 of the insurance code of 1956, 1956 PA 218, MCL 500.3171 to 500.3177.

Sec. 802. From the funds appropriated in part 1, the department of state shall sell copies of records including, but not limited to, records of motor vehicles, off-road vehicles, snowmobiles, watercraft, mobile homes, personal identification cardholders, drivers, and boat operators and shall charge \$6.55 per record sold only as authorized in section 208b of the Michigan vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222, MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.80130, 324.80315, 324.81114, and 324.82156. The department shall use the revenue received from the sale of records for necessary expenses as appropriated in part 1. The balance of the fee revenue remaining on September 30 shall revert to the general fund.

Sec. 803. From the funds appropriated in part 1, the secretary of state may enter into agreements with the department of corrections for the manufacture of vehicle registration plates 15 months before the registration year in which the registration plates will be used.

Sec. 804. (1) The department of state may accept gifts, donations, contributions, and grants of money and other property from any private or public source to underwrite, in whole or in part, the cost of a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. A private or public funding source may receive written recognition in the publication and may furnish a traffic safety message, subject to departmental approval, for inclusion in the publication. The department may reject a gift, donation, contribution, or grant. The department may furnish copies of a publication underwritten, in whole or in part, by a private source to the underwriter at no charge.

(2) The department of state may sell and accept paid advertising for placement in a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. The department may charge and receive a fee for any advertisement appearing in a departmental publication and shall review and approve the content of each advertisement. The department may refuse to accept advertising from any person or organization. The department may furnish a reasonable number of copies of a publication to an advertiser at no charge.

(3) Pending expenditure, the funds received under this section shall be deposited in the Michigan department of state publications fund created by section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211. Funds given, donated, or contributed to the department from a private source are appropriated and allocated for the purpose for which the revenue is furnished. Funds granted to the department from a public source are allocated and may be expended upon receipt. The department shall not accept a gift, donation, contribution, or grant if receipt is conditioned upon a commitment of state funding at a future date. Revenue received from the sale of advertising is appropriated and may be expended upon receipt.

(4) Any unexpended revenues received under this section shall be carried over into subsequent fiscal years and shall be available for appropriation for the purposes described in this section.

(5) On March 1 of each year, the department of state shall file a report with the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director. The report shall include all of the following information:

(a) The amount of gifts, contributions, donations, and grants of money received by the department under this section for the prior fiscal year.

(b) A listing of the expenditures made from the amounts received by the department as reported in subdivision (a).

(c) A listing of any gift, donation, contribution, or grant of property other than funding received by the department under this section for the prior year.

(d) The total revenue received from the sale of paid advertising accepted under this section and a statement of the total number of advertising transactions.

(6) In addition to copies delivered without charge as the secretary of state considers necessary, the department of state may sell copies of manuals and other publications regarding the sale, ownership, or operation or regulation of motor vehicles, with amendments, at prices to be established by the secretary of state. As used in this subsection, the term "manuals and other publications" means videos and proprietary electronic publications. All funds received from sales of these manuals and other publications shall be credited to the Michigan department of state publications fund.

Sec. 805. Funds collected by the department of state under section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211, are appropriated for all expenses necessary to provide for the costs of the publication. Funds are allotted 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. 806. From the funds appropriated in part 1, the department of state shall use available balances at the end of the state fiscal year to provide payment to the department of state police in the amount of \$307,900.00 for the services provided by the traffic accident records program as first appropriated in 1990 PA 196 and 1990 PA 208.

Sec. 807. From the funds appropriated in part 1, the department of state may restrict funds from miscellaneous revenue to cover cash shortages created from normal branch office operations. This amount shall not exceed \$50,000.00 of the total funds available in miscellaneous revenue.

Sec. 808. (1) Commemorative and specialty license plate fee revenue collected by the department of state and deposited into the Michigan transportation fund is authorized for expenditure up to the amount of revenue collected but not to exceed the amount appropriated to the department of state in part 1 to administer commemorative and specialty license plate programs.

(2) Commemorative and specialty license plate fee revenue collected by the department of state and deposited in the Michigan transportation fund in addition to the amount appropriated in part 1 to the department of state shall be available for other Michigan transportation fund-supported programs.

Sec. 809. Funds or revenues in the Olympic education training center fund, after deducting manufacturing and administrative costs, are appropriated for distribution to the Olympic education training center at Northern Michigan University. Distributions shall occur on a quarterly basis. Any undistributed revenue remaining at the end of the fiscal year shall be carried over into the next fiscal year.

Sec. 810. The department of state may produce and sell copies of a training video designed to inform registered automotive repair facilities of their obligations under Michigan law. The price shall not exceed the cost of production and distribution. The money received from the sale of training videos shall revert to the department of state and be placed in the auto repair facility account.

Sec. 811. (1) The department of state, in collaboration with the gift of life transplantation society or its successor federally designated organ procurement organization, may develop and administer a public information campaign concerning the Michigan organ donor program.

(2) The department may solicit funds from any private or public source to underwrite, in whole or in part, the public information campaign authorized by this section. The department may accept gifts, donations, contributions, and grants of money and other property from private and public sources for this purpose. A private or public funding source underwriting the public information campaign, in whole or in substantial part, shall receive sponsorship credit for its financial backing.

(3) Funds received under this section, including grants from state and federal agencies, shall not lapse to the general fund at the end of the fiscal year but shall remain available in fiscal year 2004 for expenditure for the purposes described in this section.

Sec. 812. Collector plate and fund-raising registration plate revenues collected by the department of state are appropriated and allotted for distribution to the recipient university or public or private agency overseeing a state-sponsored goal when received. Distributions shall occur on a quarterly basis or as otherwise authorized by law. Any revenues remaining at the end of the fiscal year shall not lapse to the general fund but shall remain available for distribution to the university or agency in the next fiscal year.

Sec. 813. (1) Funding appropriated in part 1 for the organ donor program shall be used for producing a pamphlet to be distributed with driver licenses and personal identification cards regarding organ donations. The funds shall be used to update and print a pamphlet that will explain the organ donor program and encourage people to become donors by marking a checkoff on driver license and personal identification card applications.

(2) The pamphlet shall include a return reply form addressed to the gift of life organization. Funding appropriated in part 1 for the organ donor program shall be used to pay for return postage costs.

Sec. 814. The department shall reimburse municipalities with voting populations over 5,000 in any calendar year for qualified voter file systems, subject to the appropriations of funds to the department by the legislature for this purpose.

Sec. 816. The department shall consult with the senate and house of representatives standing committees on appropriations subcommittees on general government regarding the projected closing or consolidation of any secretary of state branch offices.

Sec. 817. Effective January 1, 2003, the annual salary for the secretary of state shall be \$135,500.00, unless an amendment to the state constitution gives the state officers compensation commission the authority to determine the salary of the secretary of state.

Sec. 818. The appropriation in part 1 for branch operations includes \$1,000,000.00 from the state services fee fund for the development and implementation of a vertical driver license and personal identification card program for persons under the age of 21.

#### **DEPARTMENT OF TREASURY** **OPERATIONS**

Sec. 900. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$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 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 901. (1) Amounts needed to pay for interest, fees, principal, arbitrage rebates as required by federal law, and costs associated with the payment, registration, trustee services, credit enhancements, and issuing costs in excess of the amount appropriated to the department of treasury in part 1 for debt service on notes and bonds that are issued by the state under sections 14, 15, and 16 of article IX of the state constitution of 1963 as implemented by 1967 PA 266, MCL 17.451 to 17.455, are appropriated.

(2) In addition to the amount appropriated to the department of treasury for debt service in part 1, there is appropriated an amount for fiscal year cash-flow borrowing costs to pay for interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to 12.53.

Sec. 902. (1) From the funds appropriated in part 1, the department of treasury may contract with private collection agencies and law firms to collect taxes and other accounts due this state. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund collection costs and fees not to exceed 25% of the collections or 2.5% plus operating costs, whichever amount is prescribed by the contract. The appropriation to fund collection costs and fees for the collection of taxes or other accounts due this state are from the fund or account to which the revenues being collected are recorded or dedicated. However, if the taxes collected are constitutionally dedicated for a specific purpose, the appropriation of collection costs and fees are from the general purpose account of the general fund.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director and the senate and house of representatives standing committees on appropriations not later than November 30 stating the agencies or law firms employed, the amount of collections for each, the costs of collection, and other pertinent information relating to determining whether this authority should be continued.

Sec. 903. (1) The department of treasury, through its bureau of investments, may charge an investment service fee against the applicable retirement funds. The fees may be expended for necessary salaries, wages, contractual services, supplies, materials, equipment, travel, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement funds. Service fees shall not exceed the aggregate amount appropriated in part 1. The department of treasury shall maintain accounting records in sufficient detail to enable the retirement funds to be reimbursed periodically for fee revenue that is determined by the department of treasury to be surplus.

(2) In addition to the funds appropriated in part 1 from the retirement funds to the department of treasury, there is appropriated from retirement funds an amount sufficient to pay for the services of money managers, investment advisors, investment consultants, custodians and other outside professionals, the state treasurer considers necessary to prudently manage the retirement funds' investment portfolios. The state treasurer shall report annually to the senate and house of representatives standing committees on appropriations concerning the performance of each portfolio by investment advisor.

Sec. 904. The department of treasury shall sell copies of the state tax manual, uniform accounting procedures manual, general property tax law manual, and other local government assistance manuals with amendments, at a price not to exceed the cost of printing. The revenue received from the sale of preparation and local government assistance manuals shall revert to the department of treasury and be placed in the local government assistance manual revolving fund.

Sec. 905. (1) The department of treasury shall charge for audits as permitted by state or federal law or under contractual arrangements with local units of government, other principal executive departments, or state agencies. A report detailing audits performed and audit charges for the immediately preceding fiscal year shall be submitted to the state budget director and the senate and house fiscal agencies not later than November 30.

(2) The appropriation in part 1 to the department of treasury, for state compliance audits, shall be used to cover the cost of the state audits performed by independent certified public accountants or department of treasury auditors. The scope of the state audit shall be defined by the state treasurer. The state audits shall be performed by independent certified public accountants contracted with by the state treasurer or by department of treasury auditors, if the county has agreed to contract with and pay the department for their financial single audit.

(3) The state audits shall be performed for the most current county fiscal year in conjunction with the financial single audit. The state audit may be performed either by certified public accountants contracted by the state treasurer or department of treasury staff, independent of the financial single audit, if a state audit has not been performed within the last 3 years.

Sec. 906. A revolving fund known as the assessor certification and training fund is created in the department of treasury. The assessor certification and training fund shall be used to organize and operate a property assessor examination and training program. Each participant certified and trained shall pay to the department of treasury an examination fee of \$25.00, an initial certification fee of \$35.00, an annual renewal fee of \$50.00 for levels 1 and 2 and \$95.00 for levels 3 and 4 to offset the cost of administering the certification and training program. Training courses shall be offered in assessment administration. Each participant shall pay a fee to cover the expenses incurred in offering the optional programs to certified assessing personnel and other individuals interested in an assessment career opportunity. The fees collected shall be credited to the assessor certification and training fund.

Sec. 907. The amount appropriated in part 1 to the department of treasury, home heating assistance program, is to cover the costs, including data processing, of administering the federal home heating credits to eligible claimants and to administer the supplemental fuel cost payment program for eligible tax credit and welfare recipients.

Sec. 908. Revenue from the airport parking tax act, 1987 PA 248, MCL 207.371 to 207.383, is appropriated and shall be distributed under section 7 of the airport parking tax act, 1987 PA 248, MCL 207.377.

Sec. 909. The disbursement by the department of treasury from the bottle deposit fund to dealers as required by section 3c(2) of the Initiated Law of 1976, MCL 445.573c, is appropriated.

Sec. 910. (1) There is appropriated an amount sufficient to recognize and pay refundable income tax credits as provided by the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(2) The appropriations under subsection (1) shall be funded by restricting income tax revenue in an amount sufficient to record these expenditures.

Sec. 911. A plaintiff in a garnishment action involving this state shall pay to the state treasurer 1 of the following:

(a) A fee of \$6.00 at the time a writ of garnishment of periodic payments is served upon the state treasurer, as provided in section 4012 of the revised judicature act of 1961, 1961 PA 236, MCL 600.4012.

(b) A fee of \$6.00 at the time any other writ of garnishment is served upon the state treasurer, except that the fee shall be reduced to \$5.00 for each writ of garnishment for individual income tax refunds or credits filed by magnetic media.

Sec. 912. (1) The department of treasury may contract with private firms to appraise and, if necessary, appeal the assessments of senior citizen cooperative housing units. Payment for this service shall be from savings resulting from the appraisal or appeal process.

(2) Of the funds appropriated in part 1 to the department of treasury for the senior citizens' cooperative housing tax exemption program, a portion is to be utilized for a program audit of the program. The department of treasury shall forward copies of the audit report to the senate and house of representatives standing committees on appropriations subcommittees on general government. The department of treasury may utilize up to 1% of the funds for program administration and auditing.

Sec. 913. The state treasurer may make loans to local units of government from the state's common cash fund to implement local government infrastructure and private facility projects that will ultimately use long-term debt to finance the costs. These loans may be made at any time and shall be repaid, in full, not later than 12 months after the date of the loan. In addition to the full repayment of the loan principal, the borrowing unit shall pay interest at the average rate earned on common cash investments during the period of the loan. The total of all outstanding loans shall not exceed \$50,000,000.00 in the aggregate and no single loan shall exceed \$7,500,000.00.

Sec. 914. The department of treasury may provide a \$200.00 annual prize from the Ehlers internship award account in the gifts, bequests, and deposit fund to the runner-up of the Rosenthal prize for interns. The Ehlers internship award account is interest bearing.

Sec. 915. Pursuant to section 61 of the Michigan campaign finance act, 1976 PA 388, MCL 169.261, there is appropriated from the general fund to the state campaign fund an amount equal to the amounts designated for tax year 2002. Except as otherwise provided in this section, the amount appropriated shall not revert to the general fund and shall remain in the state campaign fund. Any amounts remaining in the state campaign fund in excess of \$10,000,000.00 on December 31, 2002 shall revert to the general fund.

Sec. 916. The department of treasury may develop a technology investment plan to maintain and upgrade current tax management technology applications.

Sec. 917. The department of treasury may make available to interested entities otherwise unavailable customized unclaimed property listings of nonconfidential information in its possession. The charge for this information is as follows: 1 to 100,000 records at 2.5 cents per record and 100,001 or more records at .5 cents per record. The revenue received from this service shall be deposited to the appropriate revenue account or fund. The department shall submit an annual report on or before June 1, 2003, to the state budget director and the senate and house of representatives standing committees on appropriations that states the amount of revenue received from the sale of information.

Sec. 918. (1) There is appropriated for write-offs and advances an amount equal to total write-offs and advances for departmental programs, but not to exceed current year authorizations that would otherwise lapse to the general fund.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director and the senate and house fiscal agencies not later than November 30, stating the amounts appropriated for write-offs and advances under subsection (1).

Sec. 919. In addition to funds appropriated in part 1, the department of treasury may receive and expend funds for conducting tax orientation workshops and seminars. Funds received may not exceed costs incurred in conducting the workshops and seminars.

Sec. 920. (1) From funds appropriated in part 1, the department of treasury may contract with private auditing firms to audit for and collect unclaimed property due this state in accordance with the Michigan uniform unclaimed property act. In addition to the amounts appropriated in part 1, to the department of treasury, there are appropriated amounts necessary to fund auditing and collection costs and fees not to exceed 12% of the collections, or a lesser amount as prescribed by the contract. The appropriation to fund collection costs and fees for the auditing and collection of unclaimed property due this state is from the fund or account to which the revenues being collected are recorded or dedicated.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director and the senate and house standing committees on appropriations not later than November 30 stating the auditing firms employed, the amount of collections for each, the costs of collection, and other pertinent information relating to determining whether this authority should be continued.

Sec. 921. Payments from the appropriation in part 1 to the department of treasury for grants to counties in lieu of taxes for lands transferred to the federal government include a payment for Sleeping Bear Dunes national lakeshore under 1974 PA 359, MCL 3.901 to 3.909.

Sec. 922. All of the revenue collected under section 12(3)(a) of the tobacco products tax act, 1993 PA 327, MCL 205.432, is appropriated to the health and safety fund of this state for distribution as set forth in the health and safety fund act, 1987 PA 264, MCL 141.471 to 141.479.

Sec. 940. The department of treasury may provide receipt, warrant and cash processing, data, collection, investment, fiscal agent, levy and warrant cost assessment, writ of garnishment, and other user services on a contractual basis for other principal executive departments and state agencies. Funds for the services provided are appropriated and shall be expended for salaries and wages, fees, supplies, and equipment necessary to provide the services. Any unobligated balance of the funds received shall revert to the general fund of this state as of September 30.

Sec. 941. The department of treasury may enter into agreements to supply data or collection services to other executive principal departments or state agencies, the United States department of treasury, or local units of government within this state. The department of treasury shall charge for this tax data service and amounts received are appropriated and shall be expended for salaries and wages, fees, supplies, and equipment necessary to provide the service.

Sec. 942. (1) The department of treasury shall provide accounts receivable collections services to other principal executive departments and state agencies under 1927 PA 375, MCL 14.131 to 14.134. The department of treasury shall deduct a fee equal to the cost of collections from all receipts except unrestricted general fund collections. Fees shall be credited to a restricted revenue account and appropriated to the department of treasury to pay for the cost of collections. The department of treasury shall maintain accounting records in sufficient detail to enable the respective accounts to be reimbursed periodically for fees deducted that are determined by the department of treasury to be surplus to the actual cost of collections.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director and the senate and house fiscal agencies not later than November 30, stating the principal executive departments and state agencies served, funds collected, and costs of collection under subsection (1).

Sec. 943. The appropriation in part 1 to the department of treasury, for treasury fees, shall be assessed against all restricted funds that contribute to the total value of state managed investments in the ratio each restricted fund contributes to the total value of state managed investments. The department of treasury shall provide a report to the state budget director, the senate and house appropriations subcommittees on general government, and the fiscal agencies by November 30 of each year identifying the fees assessed against each restricted fund.

Sec. 950. Revenue received under the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1444, may be expended by the board of directors of the Michigan education trust for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund.

Sec. 951. (1) From the funds appropriated in part 1 for the Michigan merit award board/MEAP administration, the department shall provide tests to nonpublic schools and home-schooled students upon request. The department shall notify nonpublic schools that they are eligible to receive the tests.

(2) The department shall release test results at the same time to all private schools and public school districts taking the tests.

Sec. 952. (1) The \$1,000,000.00 appropriated in part 1 for the Michigan education savings program is from the Michigan merit award trust fund to fund an incentive program for the Michigan education savings program created under the Michigan education savings program act, 2000 PA 161, MCL 390.1471 to 390.1486.

(2) The funds appropriated for the Michigan education savings program shall be used to provide a state match to dollars invested on behalf of each child named as a designated beneficiary in the Michigan education savings program who is 6 years of age or less, who is a Michigan resident, and whose family's income is \$80,000.00 or less.

(3) During the current fiscal year, the state shall provide \$1.00 of matching funds for each \$3.00 of individual contributions to the educational savings accounts. The maximum state match for each designated beneficiary shall be \$200.00.

(4) The state match shall be available only in the first year the child is enrolled in the Michigan education savings program.

Sec. 960. The department of treasury may expend revenues received under the hospital finance authority act, 1969 PA 38, MCL 331.31 to 331.84, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund. The department of treasury shall maintain accounting records in sufficient detail to enable the hospital clients to be reimbursed periodically for fees that are determined by the department of treasury to be surplus to needs.

Sec. 961. The department of treasury may expend revenue received under the shared credit rating act, 1985 PA 227, MCL 141.1051 to 141.1076, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund.

Sec. 962. The department of treasury shall establish a separate account for the funds related to the Michigan higher education facilities authority. The department of treasury may expend revenue received under the higher education facilities authority act, 1969 PA 295, MCL 390.921 to 390.934, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund. The department of treasury shall maintain accounting records in sufficient detail to enable the educational institution clients to be reimbursed periodically for fees that are determined by the department to be surplus to needs.

Sec. 963. The department of treasury may expend revenues received under the Michigan public educational facilities authority, Executive Order No. 2002-3, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund.

Sec. 964. The department of treasury may expend revenues received under the Michigan broadband development authority act, 2002 PA 49, for necessary salaries, wages, supplies, contractual services, equipment, workers' compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund.

#### **REVENUE SHARING**

Sec. 970. (1) Revenue collected in accordance with article IX, section 10 of the Michigan constitution of 1963 in excess of the amount appropriated in part 1 for constitutional revenue sharing is appropriated for distribution to townships, cities, and villages on a population basis as specified by law. The appropriation in part 1 for statutory state general revenue sharing grants to townships, cities, and villages shall be reduced by an amount equal to any additional constitutional revenue sharing appropriations authorized in this section.

(2) The appropriation in part 1 for statutory state general revenue sharing grants shall be distributed according to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921. Undistributed funds shall lapse to the general fund.

Sec. 971. County treasurers shall comply with section 151 of the state school aid act of 1979, 1979 PA 94, MCL 388.1751, to receive funds under part 1 for the statutory state general revenue sharing grant payments in excess of the constitutional state general revenue sharing grant payments. The payment of funds under part 1 for the statutory state general revenue sharing grant payments in excess of the constitutional state general revenue sharing grant payments shall not be withheld if a local unit of government or the department of treasury fails to provide a county treasurer with information necessary to comply with section 151 of the state school aid act of 1979, 1979 PA 94, MCL 388.1751.

Sec. 972. (1) The appropriation in part 1 for grants to local governmental units will be distributed to counties, cities, villages, and townships if total revenue sharing payments received by a county, city, village, or township in fiscal year 2002-2003 are less than the total revenue sharing payments received by that county, city, village, or township in fiscal year 2001-2002 under the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921. The grant received by any city, village, or township whose 2000 census count is reduced due to a correction to the statewide federal census published by the United States department of commerce will be determined by the amount by which fiscal year 2002-2003 total revenue sharing payments are less than the fiscal year 2001-2002 revenue sharing payments calculated using the corrected population count. The department of treasury shall reduce grant payments proportionally if the amount appropriated in part 1 is insufficient to fully fund grant payments.

(2) If the appropriation for statutory state general revenue sharing grants to cities, villages, and townships is reduced under section 970, the appropriation to grants to local governmental units in part 1 shall be increased by an amount such that for each city, village, or township total revenue sharing payments and grants under this section will not be less than the total revenue sharing payment received by that city, village, or township in fiscal year 2001-2002 pursuant to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921. Any increase in the appropriation required under this section shall be distributed from the 21.3% of sales tax collections at a rate of 4% that is in excess of the appropriation for statutory state general revenue sharing grants appropriated in part 1.

**LOTTERY**

Sec. 980. In addition to the funds appropriated in part 1 to the bureau of state lottery, there is appropriated from lottery revenues the amount necessary for, and directly related to, implementing and operating lottery games. Appropriations under this section shall only be expended for contractually mandated payments for vendor commissions, contractually mandated payments for instant tickets intended for resale, the contractual costs of providing and maintaining the on-line system communications network, and incentive and bonus payments to lottery retailers.

Sec. 981. The funds appropriated in part 1 to the bureau of state lottery shall not be used for any promotional efforts directed towards individuals who are less than 18 years of age.

Sec. 982. The funds appropriated in part 1 to the bureau of state lottery shall not be used to directly or indirectly associate professional or amateur sports figures with the lottery or its products.

**CASINO GAMING**

Sec. 990. Revenue collected by the Michigan gaming control board regarding the wagering tax imposed on adjusted gross receipts received by the licensee from gaming authorized under the Michigan gaming control and revenue act, the Initiated Law of 1996, MCL 432.201 to 432.226, at the rate of 8.15% is appropriated and shall be deposited in the state school aid fund to provide additional funds for K-12 classroom education.

Sec. 991. From the revenue collected by the Michigan gaming control board regarding the total annual assessment of each casino licensee, \$2,000,000.00 is appropriated and shall be deposited in the compulsive gaming prevention fund as described in section 12a(5) of 1997 PA 69.

Sec. 992. In addition to the funds appropriated in part 1, funds distributed by the Michigan gaming control board to the department of treasury for oversight of casino gaming are appropriated upon receipt. These funds may be used to pay for costs incurred for casino gaming oversight activities.

Sec. 993. (1) Funds appropriated in part 1 for local government programs may be used to provide assistance to a local revenue sharing board referenced in an agreement authorized by the Indian gaming regulatory act, Public Law 100-497, 102 Stat. 2467.

(2) A local revenue sharing board described in subsection (1) shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(3) A county treasurer is authorized to receive and administer funds received for and on behalf of a local revenue sharing board. Funds appropriated in part 1 for local government programs may be used to audit local revenue sharing board funds held by a county treasurer. This section does not limit the ability of local units of government to enter into agreements with federally recognized Indian tribes to provide financial assistance to local units of government or to jointly provide public services.

(4) The director of the department of state police and the executive director of the Michigan gaming control board are authorized to assist the local revenue sharing boards in determining allocations to be made to local public safety organizations.

(5) The department of treasury shall submit a report by September 30, 2003, to the senate and house of representatives standing committees on appropriations on the receipts and distribution of revenues by local revenue sharing boards.

Sec. 994. If revenues collected in the state services fee fund are less than the amounts appropriated from the fund, available revenues shall be used to fully fund the appropriation in part 1 of this act for casino gaming regulation activities before distributions are made to other state departments and agencies. If the remaining revenue in the fund is insufficient to fully fund appropriations to other state departments or agencies, the shortfall shall be distributed proportionally among those departments and agencies.

**REVENUE STATEMENT**

Sec. 1101. Pursuant to section 18 of article V of the state constitution of 1963, fund balances and estimates are presented in the following statement:

**BUDGET RECOMMENDATIONS BY OPERATING FUNDS**  
(Amounts in millions)  
Fiscal Year 2002-2003

	Fund #	Beginning Unreserved Fund Balance	Estimated Revenue	Ending Balance
<b>OPERATING FUNDS</b>				
General	0110	0.0	20,424.3	0.0
Special Revenue Funds:				
Countercyclical budget and economic stabilization	0111	471.2	15.4	224.9
Game and fish protection	0112	11.8	62.4	8.4
Michigan employment security act administration	0113	1.2	127.5	1.3

State aeronautics	0114	0.0	217.1	0.0
Michigan veterans' benefit trust	0115	0.0	3.0	0.0
State trunkline	0116	0.0	1,712.1	0.0
Michigan state waterways	0117	0.0	23.9	0.5
Blue Water Bridge	0118	0.0	12.1	0.0
Michigan transportation	0119	0.0	2,049.2	0.0
Comprehensive transportation	0120	7.6	288.7	7.6
School aid	0122	271.0	12,607.2	(19.4)
Marine safety	0123	1.9	5.1	0.7
Game and fish protection trust	0124	0.0	16.7	0.0
State park improvement	0125	5.4	30.9	3.4
Forest development	0126	4.3	23.0	0.1
Michigan civilian conservation corps endowment	0128	0.2	0.9	0.0
Michigan natural resources trust	0129	0.0	57.1	0.0
Michigan state parks endowment	0130	6.2	20.6	6.4
Safety education and training	0131	3.4	6.6	3.4
Uninsured employers' security	0135	0.0	0.0	0.0
Bottle deposit	0136	0.0	30.4	0.0
State construction code	0138	14.2	8.8	13.0
Children's trust	0139	0.5	2.4	0.7
State casino gaming	0140	12.4	28.2	19.2
Homeowner construction lien recovery	0141	2.0	0.5	1.4
Michigan nongame fish and wildlife	0143	0.1	0.6	0.0
Michigan merit award trust	0154	23.1	252.9	34.4
Tobacco settlement trust	0155	37.8	85.0	1.0
Michigan underground storage tank finance assurance	0160	0.0	63.3	0.0
TOTALS		\$955.2	\$38,176.4	\$322.7

Enacting section 1. This act does not take effect unless House Bill No. 5248 of the 91st Legislature is enacted into law.

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

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

John Pappageorge  
Brian Palmer  
Conferees for the House

John J.H. Schwarz, M.D.  
Shirley Johnson  
Conferees for the Senate

The question being on the adoption of the conference report,

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

### Roll Call No. 806

### Yeas—20

Bennett	Emmons	Johnson	North
Bullard	Gast	Koivisto	Sanborn
Byrum	Gougeon	McCotter	Schwarz
DeGrow	Hammerstrom	McManus	Smith
Dunaskiss	Hoffman	Miller	Steil

**Nays—16**

Cherry	Goschka	Peters	Sikkema
DeBeussaert	Hart	Schuette	Stille
Dingell	Leland	Scott	Van Regenmorter
Garcia	Murphy	Shugars	Young

**Excused—1**

Vaughn

**Not Voting—1**

Emerson

In The Chair: Hoffman

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

**Protest**

Senator Garcia, under his constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the conference report relative to House Bill No. 5646.

Senator Garcia's statement is as follows:

I voted "no" on the conference committee report for House Bill No. 5646 because basically it had provisions in it that expanded gambling, and that is why I was opposed to it.

The President pro tempore, Senator Schwarz, resumed the Chair.

By unanimous consent the Senate proceeded to the order of

**Introduction and Referral of Bills****House Bill No. 5881, entitled**

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

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

The bill was read a first and second time by title.

Senator Emmons moved that the rules be suspended and that the bill be placed on its immediate passage.

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

**House Bill No. 5248, entitled**

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

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

The bill was read a first and second time by title.

Senator Emmons moved that the rules be suspended and that the bill be placed on its immediate passage.

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

Senators Schwarz, Miller and Smith 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 statement is as follows:

I would like to call the attention of the body to the fact that last Thursday a former member of this chamber passed away he was a friend to a number of us—someone whom we knew—and I had a great deal of respect for his independence and for the fact that he spent his entire life caring for his fellow man. That was former Senator Ed Pierce, mayor of Ann Arbor and a one-term member of this body. From my standpoint—a fellow physician—I would like to ask the members of the body and staff to stand for a moment of silence in memory of Dr. Senator Pierce.

A moment of silence was observed on the passing of former Senator Ed Pierce.

Senator Miller's statement is as follows:

I thank you, Mr. President, for your kind words about our former colleague. I had the privilege to serve with the great doctor, a very, very independent Senator, a fine husband and father, and a great gentleman from Ann Arbor. He certainly was a real credit to the University of Michigan; he was a graduate there. He was certainly one of the strongest advocates for working men and women to make sure that health care was provided to every resident of this state. He was a great, great spokesperson for medicine. He just did an outstanding job many, many times on this floor debating the health care insurance giants of this state—taking on the hospitals on bed counts. He was more concerned about health care for people than the number of beds in the hospital. He was such a great, great man, an inspiring individual. I learned a lot about my early years here in this chamber because Ed Pierce spoke from the heart for many, many people.

When you look at it, Mr. President, we have tens of thousands of people in this state who do not have health care insurance. Ed Pierce was a fighter, a leader, and he was an outstanding member of your medical profession, who many times took on his profession fighting for men, women, children, and the elderly to make sure that they had the best health care that we could provide in this state.

I want to say that in my 25 years here, Mr. President, I wish that many of you had the opportunity to meet Ed Pierce because he truly was a great, great man and had a heart as big as this chamber. The people of Michigan sure lost a fighter, a leader, and a great person when Ed Pierce passed away this passed week.

Senator Smith's statement is as follows:

At times, Dr. Edward M. Pierce was many things to me. He was a family friend. I always thought it was politics that brought my parents and Ed Pierce together. In the end, it turned out that it was an understanding of what public health is really about. The public health is more than disease management. Public health is the economic, the social, and the educational opportunity that a community has for all of its citizens. Ed Pierce fought nobly for those challenges in the Ann Arbor community and for the state of Michigan. He was a friend, he was my state Senator, and he was from time to time the family doctor. He was also a very courageous and forthright individual. His opening of a medical clinic in the black community in Ann Arbor was met with a bit of suspicion because here was a white doctor giving up an opportunity for a lucrative practice to come into the black neighborhood and offer his services on a slightly scale basis.

It took us just a few weeks to understand Ed's commitment to people. With the excellent care he delivered and the time that he took with all of the citizens and the understanding that his medical practice gave him of the problems that individuals with low incomes faced, Ed took that knowledge into the political arena. As Senator Art Miller has said, he fought with all of his heart for the individuals who had too little.

Ed will be missed, but he set a great challenge for all of us. He was courageous, he was bold, he was daring, and he left us with a legacy to be remembered and to be modeled after.

Mr. President, the memorial service for Ed Pierce takes place this afternoon at 1 o'clock. I am sorry that I cannot be there, but my staff, who also knew Ed Pierce, is there. His daughter Lynn Pierce, his son Paul, the grandchildren, and the other siblings in the family lost both of their parents within a year. That is a very difficult situation for any family, but they are standing up as Ed would have had them stand up.

By unanimous consent the Senate returned to the order of  
**Third Reading of Bills**

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

**House Bill No. 5881**

The motion prevailed.

The following bill was read a third time:

**House Bill No. 5881, entitled**

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

The question being on the passage of the bill,

Senator Stille offered the following amendments:

1. Amend page 43, line 14, by striking out all of subsection (20) and renumbering the remaining subsections.
2. Amend page 51, line 9, by striking out "\$2,883,500,000.00" and inserting "\$2,868,500,000.00".
3. Amend page 51, line 10, by striking out "\$2,880,000,000.00" and inserting "\$2,865,000,000.00".
4. Amend page 81, following line 17, by inserting:

"SEC. 33A. (1) FROM THE STATE SCHOOL AID FUND APPROPRIATION IN SECTION 11, THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED \$15,000,000.00 EACH FISCAL YEAR FOR 2002-2003 AND FOR 2003-2004 ONLY TO A DISTRICT THAT IS A QUALIFYING SCHOOL DISTRICT WITH A SCHOOL REFORM BOARD IN PLACE UNDER PART 5A OF THE REVISED SCHOOL CODE, MCL 380.371 TO 380.376. IF A DISTRICT CEASES TO MEET THE REQUIREMENTS OF THIS SECTION, THE DISTRICT CEASES TO BE ELIGIBLE FOR PAYMENTS UNDER THIS SECTION AT THAT TIME.

(2) FUNDS ALLOCATED UNDER THIS SECTION ARE FOR MEASURES TO IMPROVE STUDENT PERFORMANCE, INCLUDING, BUT NOT LIMITED TO, ENHANCED SCHOOL SECURITY AND READING READINESS PROGRAMS."

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

The question being on the passage of the bill,

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

**Roll Call No. 807**

**Yeas—35**

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

**Nays—1**

Shugars

**Excused—1**

Vaughn

**Not Voting—1**

Leland

In The Chair: Schwarz

Senator Emmons moved that the bill be given immediate effect.

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

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

“An act to make appropriations to aid in the support of the public schools and the intermediate school districts of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to supplement the school aid fund by the levy and collection of certain taxes; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to prescribe penalties; and to repeal acts and parts of acts.”.

The Senate agreed to the full title.

By unanimous consent the Senate returned to the order of

**Messages from the House**

Senator Emmons moved that rule 3.202 be suspended to permit immediate consideration of the following bill:

**House Bill No. 5883**

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

**House Bill No. 5883, entitled**

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

The House of Representatives has substituted (H-3) the Senate substitute (S-1).

The House of Representatives has concurred in the Senate substitute (S-1) as substituted (H-3) and agreed to the title.

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

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

**Roll Call No. 808****Yeas—24**Bullard  
ByrumEmmons  
GastLeland  
MillerScott  
Sikkema

Cherry  
DeBeussaert  
DeGrow  
Emerson

Gougeon  
Hart  
Hoffman  
Koivisto

Murphy  
North  
Peters  
Schwarz

Smith  
Steil  
Van Regenmorter  
Young

### Nays—13

Bennett  
Dingell  
Dunaskiss  
Garcia

Goschka  
Hammerstrom  
Johnson

McCotter  
McManus  
Sanborn

Schuette  
Shugars  
Stille

### Excused—1

Vaughn

### Not Voting—0

In The Chair: Schwarz

### Protest

Senator Shugars, under his constitutional right of protest (Art. 4, Sec. 18), protested against the passage of Senate Bill No. 1322.

Senator Shugars' statement is as follows:

I voted "no" on all the conference report bills and House Bill No. 5883, which was the one dealing with the SBT. I also voted against the cigarette tax because I heard and felt strongly that what's going to happen is that we are going to postpone the cut of the SBT tax from 1.9 percent to 1.8 percent therefore, increasing taxes on businesses and also increasing the cigarette tax. I didn't think that was the best way to deal with a proposed budget deficit. I felt it would be better to cut back government spending, government programs, and prioritize what programs and what services were important to the citizens, and then cut back as much as possible. And though it would be very difficult and a tough decision, I felt that was much better to do.

A number of my colleagues run for office, and as they run for office, they say we need less government, and I subscribe to that philosophy, so I voted "no."

I think the unintentional consequences of the cigarette taxes is going to cause a lot of hardships with businesses across the lower tier of the state bordering to other states. I feel bad for a lot of those businesses concerning what we did today. That's why I voted "no" on all the conference reports and the cigarette tax.

Senator Emmons moved that rule 3.202 be suspended to permit immediate consideration of the following bill:

#### **Senate Bill No. 117**

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

#### **Senate Bill No. 117, entitled**

A bill to amend 1975 PA 228, entitled "Single business tax act," by amending section 31 (MCL 208.31), as amended by 1999 PA 115.

The House of Representatives has amended the bill as follows:

1. Amend page 3, line 1, after "than" by striking out "\$1.00" and inserting "\$50,000.00".

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

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

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

**Roll Call No. 809****Yeas—20**

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

**Nays—17**

Byrum	Emerson	Leland	Schwarz
Cherry	Gast	Miller	Scott
DeBeaussaert	Hart	Murphy	Smith
Dingell	Koivisto	Peters	Young
Dunaskiss			

**Excused—1**

Vaughn

**Not Voting—0**

In The Chair: Schwarz

The Senate agreed to the full title.

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

Senator Emmons moved that rule 3.202 be suspended to permit immediate consideration of the following bill:

**Senate Bill No. 926**

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

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

**Senate Bill No. 926, entitled**

A bill to amend 1999 PA 94, entitled "Michigan merit award scholarship act," by amending sections 5, 6, 7, and 8 (MCL 390.1455, 390.1456, 390.1457, and 390.1458).

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

The House of Representatives has passed the bill as substituted (H-1), ordered that it be given immediate effect and amended the title to read as follows:

A bill to amend 1999 PA 94, entitled "An act to create the Michigan merit award scholarship trust fund; to create the Michigan merit award scholarship board and prescribe the powers and duties of the board; and to provide for the Michigan merit award scholarship program," by amending sections 6, 7, and 8 (MCL 390.1456, 390.1457, and 390.1458).

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

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

**Roll Call No. 810****Yeas—36**

Bennett	Emmons	Leland	Schwarz
Bullard	Garcia	McCotter	Scott

Byrum	Gast	McManus	Shugars
Cherry	Goschka	Miller	Sikkema
DeBeaussaert	Gougeon	Murphy	Smith
DeGrow	Hammerstrom	North	Steil
Dingell	Hoffman	Peters	Stille
Dunaskiss	Johnson	Sanborn	Van Regenmorter
Emerson	Koivisto	Schuette	Young

**Nays—0**

**Excused—1**

Vaughn

**Not Voting—1**

Hart

In The Chair: Hoffman

The question being on concurring in the committee recommendation to give the bill immediate effect, The recommendation was concurred in, 2/3 of the members serving voting therefor. The Senate agreed to the title as amended. The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

By unanimous consent the Senate returned to the order of  
**Third Reading of Bills**

Senator Emmons moved that the following bill be placed at the head of the Third Reading of Bills calendar:  
**House Bill No. 5248**  
 The motion prevailed.

The following bill was read a third time:  
**House Bill No. 5248, entitled**

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

The question being on the passage of the bill,

Senator Garcia offered the following amendment:

1. Amend page 7, line 11, after "2002," by striking out "1.5%" and inserting "1.75%".

The question being on the adoption of the amendment,

Senator Dunaskiss requested the yeas and nays.

The yeas and nays were not ordered, 1/5 of the members present not voting therefor.

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

Senator Garcia moved to reconsider the vote by which the amendment was not adopted.

The motion did not prevail.

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

The question being on the motion to postpone,

Senator Garcia requested the yeas and nays.

The yeas and nays were not ordered, 1/5 of the members present not voting therefor.

The motion did not prevail.

The question being on the passage of the bill,

The bill was defeated, a majority of the members serving not voting therefor, as follows:

**Roll Call No. 811****Yeas—15**

Byrum  
Cherry  
DeGrow  
Emerson

Emmons  
Gougeon  
Hammerstrom  
Hoffman

McManus  
North  
Schwarz  
Sikkema

Smith  
Steil  
Van Regenmorter

**Nays—22**

Bennett  
Bullard  
DeBeaussaert  
Dingell  
Dunaskiss  
Garcia

Gast  
Goschka  
Hart  
Johnson  
Koivisto  
Leland

McCotter  
Miller  
Murphy  
Peters  
Sanborn

Schuette  
Scott  
Shugars  
Stille  
Young

**Excused—1**

Vaughn

**Not Voting—0**

In The Chair: Hoffman

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

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

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

After some time spent therein, the Committee arose; and, the President pro tempore, Senator Schwarz, having resumed the Chair, the Committee reported back to the Senate, favorably and with a substitute therefor, the following bill:

**House Bill No. 6004, entitled**

A bill to amend 1982 PA 295, entitled "Support and parenting time enforcement act," by amending sections 2, 3, 25a, 25b, and 28 (MCL 552.602, 552.603, 552.625a, 552.625b, and 552.628), section 2 as amended by 1999 PA 160, section 3 as amended by 2001 PA 106, and sections 25a and 25b as added and section 28 as amended by 1998 PA 334, and by adding sections 5c, 25c, 25d, 25e, 25f, 25g, 25h, and 25i.

Substitute (S-2).

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

1. Amend page 24, line 19, after "25G." by inserting "IN ADDITION, THE IV-D AGENCY SHALL COMPENSATE THE PAYER FOR THE AMOUNT OF INTEREST THAT THE FINANCIAL ASSETS WOULD HAVE EARNED HAD THEY NOT BEEN CONVERTED AND FORWARDED TO THE SDU, TO THE EXTENT THAT THE INTEREST CAN BE DETERMINED WITH A REASONABLE DEGREE OF CERTAINTY."

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

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

**House Bill No. 6005, entitled**

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

Substitute (S-1).

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

1. Amend page 5, line 1, after "effect" by striking out the balance of the line through "2003" on line 2 and inserting "December 1, 2002".

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

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

**House Bill No. 6006, entitled**

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

Substitute (S-2).

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

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

**House Bill No. 6007, entitled**

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

Substitute (S-2).

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

1. Amend page 18, line 7, by striking out "PAYER" and inserting "PARENT".

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

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

**House Bill No. 6008, entitled**

A bill to amend 1971 PA 174, entitled "Office of child support act," by amending sections 1, 3, and 9 (MCL 400.231, 400.233, and 400.239), section 1 as amended and section 9 as added by 1999 PA 161 and section 3 as amended by 1998 PA 112, and by adding section 10.

Substitute (S-2).

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

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

**House Bill No. 6009, entitled**

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

Substitute (S-2).

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

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

**House Bill No. 6010, entitled**

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

Substitute (S-2).

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:  
**House Bill No. 6011, entitled**

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

Substitute (S-2).

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:  
**House Bill No. 6012, entitled**

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

Substitute (S-2).

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

1. Amend page 23, line 20, after "entered" by inserting "before".

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:  
**House Bill No. 6017, entitled**

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

Substitute (S-1).

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

1. Amend page 2, line 3, after "effect" by striking out the balance of the line through "2003" on line 4 and inserting "December 1, 2002".

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

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

**House Bill No. 6020, entitled**

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

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

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

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

By unanimous consent the Senate returned to the order of

**Third Reading of Bills**

Senator Emmons moved to reconsider the vote by which the following bill was defeated:

**House Bill No. 5248, entitled**

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

The motion prevailed.

The question being on the passage of the bill,

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

**Roll Call No. 812****Yeas—20**

Byrum	Emmons	Miller	Sikkema
Cherry	Gougeon	Murphy	Smith
DeGrow	Hammerstrom	North	Steil
Dunaskiss	Hoffman	Peters	Stille
Emerson	McManus	Schwarz	Van Regenmorter

**Nays—16**

Bennett	Garcia	Johnson	Sanborn
Bullard	Gast	Koivisto	Scott
DeBeaussaert	Goschka	Leland	Shugars
Dingell	Hart	McCotter	Young

**Excused—1**

Vaughn

**Not Voting—1**

Schuette

In The Chair: Schwarz

Senator Emmons moved that the bill be given immediate effect.

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

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

“An act to provide for a tax upon the sale and distribution of tobacco products; to regulate and license manufacturers, wholesalers, secondary wholesalers, vending machine operators, unclassified acquirers, transportation companies, transporters, and retailers of tobacco products; to prescribe the powers and duties of the revenue division and the department of treasury in regard to tobacco products; to provide for the collection and disposition of the tax; to provide for the enforcement of this act; to provide for the appointment of special investigators as peace officers for the enforcement of this act; to prescribe penalties and provide remedies for the violation of this act; and to repeal certain acts and parts of acts on a specific date.”.

The Senate agreed to the full title.

**Protest**

Senator Garcia, under his constitutional right of protest (Art. 4, Sec. 18), protested against the passage of House Bill No. 5248 and moved that the statement he made during the discussion of the bill be printed as his reasons for voting “no.”

The motion prevailed.

Senator Garcia’s statement is as follows:

I am voting “no” on this bill because I believe we should be cutting our spending, not raising taxes. I believe we’re abandoning our principles here. If this were a household or a business, we wouldn’t be looking to increase our debt. We would be looking to cut spending, cut corners, so that we could cut our operating costs.

I think we are going at it the wrong way about solving our budget problems. We are also—in this bill—not helping businesses that are going to be collecting this tax. We are hurting businesses. So we are not only increasing taxes where we are hurting businesses that help keep our economy going.

Last, but not least, we are taxing a portion of the public who have a habit that some of us in here don't like. I am not sure what the Founding Fathers would think of the fact that we are actually taxing people to try to change their behavior. I don't think that is the reason we ought to be taxing. We ought to be taxing if we need to, to provide government services. Again for those reasons and many others, I voted against this bill.

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

Senator Emmons moved that rule 3.202 be suspended to permit immediate consideration of the following bill:

**Senate Bill No. 1322**

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

**Senate Bill No. 1322, entitled**

A bill to amend 1975 PA 228, entitled "Single business tax act," (MCL 208.1 to 208.145) by adding section 39e.

The House of Representatives has amended the bill as follows:

1. Amend page 3, following line 8, by inserting:

"(8) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT AND FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31, 2002, A PERSON WHOSE APPORTIONED OR ALLOCATED GROSS RECEIPTS ARE LESS THAN \$350,000.00 FOR THE TAX YEAR NEED NOT FILE A RETURN OR PAY THE TAX AS PROVIDED UNDER THIS ACT." and renumbering the remaining subsection.

2. Amend page 6, following line 2, by inserting:

"Enacting section 1. The single business tax act, 1975 PA 228, MCL 208.1 to 208.145, is repealed effective for tax years that begin after December 31, 2009."

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

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

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

**Roll Call No. 813**

**Yeas—30**

Bennett	Garcia	Koivisto	Schuette
Bullard	Gast	Leland	Schwarz
Byrum	Goschka	McCotter	Shugars
Cherry	Gougeon	McManus	Sikkema
DeGrow	Hammerstrom	North	Steil
Dingell	Hart	Peters	Stille
Dunaskiss	Hoffman	Sanborn	Van Regenmorter
Emmons	Johnson		

**Nays—7**

DeBeaussaert	Miller	Scott	Young
Emerson	Murphy	Smith	

**Excused—1**

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.  
The Senate agreed to the full title.  
The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

By unanimous consent the Senate returned to the order of  
**Third Reading of Bills**

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

**House Bill No. 6005**  
**House Bill No. 6020**  
**House Bill No. 6004**  
**House Bill No. 6006**  
**House Bill No. 6007**  
**House Bill No. 6008**  
**House Bill No. 6009**  
**House Bill No. 6010**  
**House Bill No. 6011**  
**House Bill No. 6012**  
**House Bill No. 6017**

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

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

Senators Bullard and Stille asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Bullard's statement is as follows:

I would like to bring to my attention and the colleagues of the Senate a young lady who is going to be leaving us in August to go to law school. Audrey Robinson has worked for the state Senate for five years—Audrey would you come up here. She first worked for Leon Stille. She graduated from Michigan State, and she has really been a great addition to my office this year.

We decided to give her the most difficult assignment that we have in my office. We sent her over to a House committee. She did superbly well, despite having to spend hours and hours listening to endless debate. She got the bill out, so we then decided to keep sending her over there. We want to honor Audrey. We have a tribute signed by myself and Senator Stille. It will be signed by the Governor tomorrow, and we just want to wish Audrey all the great luck. I personally believe we have a shortage of good, talented young lawyers. She is going to be a great one. Audrey, congratulations!

Senator Stille's statement is as follows:

I just want to echo the comments of Senator Bullard. Audrey worked in my office in three different capacities—I guess you would say three different stages. One as an intern student for Michigan State; one as a part-time student employee for Michigan State; and then full-time. She did a tremendous job, was well respected in our office, and represented our office extremely well.

I can't say enough good about Audrey and wish her the best in her efforts. Hopefully, she will be a better lawyer than Senator Bullard.

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

**House Bill No. 6005**  
**House Bill No. 6020**  
**House Bill No. 6004**  
**House Bill No. 6006**  
**House Bill No. 6007**  
**House Bill No. 6008**  
**House Bill No. 6009**  
**House Bill No. 6010**  
**House Bill No. 6011**



The following bill was read a third time:

**House Bill No. 6020, entitled**

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

The question being on the passage of the bill,

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

**Roll Call No. 815**

**Yeas—35**

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

**Nays—0**

**Excused—2**

Hart	Vaughn
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**Not Voting—1**

Steil

In The Chair: Schwarz

Senator Emmons moved that the bill be given immediate effect.

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

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

“An act to confer jurisdiction upon the circuit courts to order and enforce the payment of money for the support, in certain cases, of parents having physical custody of minor children or children who have reached the age of majority and of minor children or children who have reached the age of majority by noncustodial parents; to provide for the termination of the effectiveness of the orders; and to provide for the payment of fees and assessment of costs in those cases;”.

The Senate agreed to the full title.

The following bill was read a third time:

**House Bill No. 6004, entitled**

A bill to amend 1982 PA 295, entitled “Support and parenting time enforcement act,” by amending sections 2, 25a, 25b, and 28 (MCL 552.602, 552.625a, 552.625b, and 552.628), section 2 as amended by 1999 PA 160 and sections 25a and 25b as added and section 28 as amended by 1998 PA 334, and by adding sections 5c, 25c, 25d, 25e, 25f, 25g, 25h, and 25i.

The question being on the passage of the bill,

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

**Roll Call No. 816****Yeas—36**

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

**Nays—0****Excused—2**

Hart	Vaughn
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**Not Voting—0**

In The Chair: Schwarz

Senator Emmons moved that the bill be given immediate effect.

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

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

“An act to provide for and to supplement statutes that provide for the provisions and enforcement of support, health care, and parenting time orders with respect to divorce, separate maintenance, paternity, child custody and support, and spousal support; to prescribe and authorize certain provisions of those orders; to prescribe the powers and duties of the circuit court and friend of the court; to prescribe certain duties of certain employers and other sources of income; to provide for penalties and remedies; and to repeal acts and parts of acts.”

The Senate agreed to the full title.

The following bill was read a third time:

**House Bill No. 6006, entitled**

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

The question being on the passage of the bill,

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

**Roll Call No. 817****Yeas—36**

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

**Nays—0**

**Excused—2**

Hart

Vaughn

**Not Voting—0**

In The Chair: Schwarz

Senator Emmons moved that the bill be given immediate effect.

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

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

“An act to provide for and to supplement statutes that provide for the provisions and enforcement of support, health care, and parenting time orders with respect to divorce, separate maintenance, paternity, child custody and support, and spousal support; to prescribe and authorize certain provisions of those orders; to prescribe the powers and duties of the circuit court and friend of the court; to prescribe certain duties of certain employers and other sources of income; to provide for penalties and remedies; and to repeal acts and parts of acts.”.

The Senate agreed to the full title.

The following bill was read a third time:

**House Bill No. 6007, entitled**

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

The question being on the passage of the bill,

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

**Roll Call No. 818**

**Yeas—36**

Bennett  
Bullard  
Byrum  
Cherry  
DeBeaussaert  
DeGrow  
Dingell  
Dunaskiss  
Emerson

Emmons  
Garcia  
Gast  
Goschka  
Gougeon  
Hammerstrom  
Hoffman  
Johnson  
Koivisto

Leland  
McCotter  
McManus  
Miller  
Murphy  
North  
Peters  
Sanborn  
Schuette

Schwarz  
Scott  
Shugars  
Sikkema  
Smith  
Steil  
Stille  
Van Regenmorter  
Young

**Nays—0**

**Excused—2**

Hart

Vaughn

**Not Voting—0**

In The Chair: Schwarz

Senator Emmons moved that the bill be given immediate effect.

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

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

“An act to provide for and to supplement statutes that provide for the provisions and enforcement of support, health care, and parenting time orders with respect to divorce, separate maintenance, paternity, child custody and support, and spousal support; to prescribe and authorize certain provisions of those orders; to prescribe the powers and duties of the circuit court and friend of the court; to prescribe certain duties of certain employers and other sources of income; to provide for penalties and remedies; and to repeal acts and parts of acts.”.

The Senate agreed to the full title.

The following bill was read a third time:

**House Bill No. 6008, entitled**

A bill to amend 1971 PA 174, entitled “Office of child support act,” by amending sections 1, 3, and 9 (MCL 400.231, 400.233, and 400.239), section 1 as amended and section 9 as added by 1999 PA 161 and section 3 as amended by 1998 PA 112, and by adding section 10.

The question being on the passage of the bill,

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

The motion prevailed.

The following bill was read a third time:

**House Bill No. 6009, entitled**

A bill to amend 1982 PA 294, entitled “Friend of the court act,” by amending sections 17d and 19 (MCL 552.517d and 552.519), section 17d as amended by 1996 PA 144 and section 19 as amended by 2001 PA 193, and by adding sections 11a and 11b.

The question being on the passage of the bill,

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

**Roll Call No. 819**

**Yeas—36**

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

**Nays—0**

**Excused—2**

Hart

Vaughn

**Not Voting—0**

In The Chair: Schwarz

Senator Emmons moved that the bill be given immediate effect.

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

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

“An act to revise and consolidate the laws relating to the friend of the court; to provide for the appointment or removal of the friend of the court; to create the office of the friend of the court; to establish the rights, powers, and duties of the friend of the court and the office of the friend of the court; to establish a state friend of the court bureau and to provide the powers and duties of the bureau; to prescribe powers and duties of the circuit court and of certain state and local agencies and officers; to establish friend of the court citizen advisory committees; to prescribe certain duties of certain employers and former employers; and to repeal acts and parts of acts.”.

The Senate agreed to the full title.

The following bill was read a third time:

**House Bill No. 6010, entitled**

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

The question being on the passage of the bill,

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

**Roll Call No. 820**

**Yeas—35**

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

**Nays—0**

**Excused—2**

Hart	Vaughn
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**Not Voting—1**

Stille

In The Chair: Schwarz

Senator Emmons moved that the bill be given immediate effect.

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

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

“An act to provide for and to supplement statutes that provide for the provisions and enforcement of support, health care, and parenting time orders with respect to divorce, separate maintenance, paternity, child custody and support, and spousal support; to prescribe and authorize certain provisions of those orders; to prescribe the powers and duties of the circuit court and friend of the court; to prescribe certain duties of certain employers and other sources of income; to provide for penalties and remedies; and to repeal acts and parts of acts.”.

The Senate agreed to the full title.

The following bill was read a third time:

**House Bill No. 6011, entitled**

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

The question being on the passage of the bill,

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

**Roll Call No. 821**

**Yeas—36**

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

**Nays—0**

**Excused—2**

Hart

Vaughn

**Not Voting—0**

In The Chair: Schwarz

Senator Emmons moved that the bill be given immediate effect.

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

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

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

The Senate agreed to the full title.

The following bill was read a third time:

**House Bill No. 6012, entitled**

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

The question being on the passage of the bill,

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

**Roll Call No. 822****Yeas—36**

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

**Nays—0****Excused—2**

Hart	Vaughn
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**Not Voting—0**

In The Chair: Schwarz

Senator Emmons moved that the bill be given immediate effect.

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

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

“An act to provide for and to supplement statutes that provide for the provisions and enforcement of support, health care, and parenting time orders with respect to divorce, separate maintenance, paternity, child custody and support, and spousal support; to prescribe and authorize certain provisions of those orders; to prescribe the powers and duties of the circuit court and friend of the court; to prescribe certain duties of certain employers and other sources of income; to provide for penalties and remedies; and to repeal acts and parts of acts.”.

The Senate agreed to the full title.

The following bill was read a third time:

**House Bill No. 6017, entitled**

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

The question being on the passage of the bill,

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

**Roll Call No. 823****Yeas—36**

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

**Nays—0**

**Excused—2**

Hart

Vaughn

**Not Voting—0**

In The Chair: Schwarz

Senator Emmons moved that the bill be given immediate effect.

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

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

“An act to protect the welfare of the people of this state; to provide general assistance, hospitalization, infirmary and medical care to poor or unfortunate persons; to provide for compliance by this state with the social security act; to provide protection, welfare and services to aged persons, dependent children, the blind, and the permanently and totally disabled; to administer programs and services for the prevention and treatment of delinquency, dependency and neglect of children; to create a state department of social services; to prescribe the powers and duties of the department; to provide for the interstate and intercounty transfer of dependents; to create county and district departments of social services; to create within certain county departments, bureaus of social aid and certain divisions and offices thereunder; to prescribe the powers and duties of the departments, bureaus and officers; to provide for appeals in certain cases; to prescribe the powers and duties of the state department with respect to county and district departments; to prescribe certain duties of certain other state departments, officers, and agencies; to make an appropriation; to prescribe penalties for the violation of the provisions of this act; and to repeal certain parts of this act on specific dates.”

The Senate agreed to the full title.

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

**House Bill No. 6008, entitled**

A bill to amend 1971 PA 174, entitled “Office of child support act,” by amending sections 1, 3, and 9 (MCL 400.231, 400.233, and 400.239), section 1 as amended and section 9 as added by 1999 PA 161 and section 3 as amended by 1998 PA 112, and by adding section 10.

(This bill was read a third time earlier today and consideration postponed. See p. 1934.)

The question being on the passage of the bill,

Senator Scott offered the following amendment:

1. Amend page 9, following line 12, by inserting:

“(8) WITHIN 1 YEAR AFTER THE EFFECTIVE DATE OF THIS SECTION AND WITHIN 1 YEAR AFTER THE DEADLINE FOR THE PREVIOUS REPORT, THE OFFICE SHALL SUBMIT AN ANNUAL REPORT TO THE LEGISLATURE REGARDING CENTRALIZED ADMINISTRATIVE ENFORCEMENT PROCEDURES. THE REPORT SHALL INCLUDE AT LEAST ALL OF THE FOLLOWING:

(A) A DESCRIPTION OF EACH CENTRALIZED ADMINISTRATIVE ENFORCEMENT PROCEDURE.

(B) FOR EACH CENTRALIZED ADMINISTRATIVE ENFORCEMENT PROCEDURE, INFORMATION ABOUT THE PERSON PROVIDING THE SERVICE, ALONG WITH A SUMMARY OF THE TERMS, DURATION, AND COST OF EACH CONTRACT WITH THAT PERSON.

(C) FOR EACH CENTRALIZED ADMINISTRATIVE ENFORCEMENT PROCEDURE, INFORMATION ABOUT THE EFFECTIVENESS OF THE PROCEDURE, INCLUDING SUCCESS AND ERROR RATES.”

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

Senator Cherry requested the yeas and nays.

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

The amendment was not adopted, a majority of the members serving not voting therefor, as follows:

**Roll Call No. 824**

**Yeas—14**

Byrum  
Cherry

Emerson  
Goschka

Miller  
Murphy

Scott  
Smith

DeBeaussaert  
Dingell

Koivisto  
Leland

Peters

Young

**Nays—21**

Bennett  
Bullard  
Dunaskiss  
Emmons  
Garcia  
Gast

Gougeon  
Hammerstrom  
Hoffman  
Johnson  
McCotter

McManus  
North  
Sanborn  
Schuette  
Schwarz

Shugars  
Sikkema  
Steil  
Stille  
Van Regenmorter

**Excused—2**

Hart

Vaughn

**Not Voting—1**

DeGrow

In The Chair: Schwarz

Senator Scott offered the following amendments:

1. Amend page 6, line 26, after “ADMINISTRATIVE” by striking out “ENFORCEMENT PROCEDURES FOR” and inserting “CHILD SUPPORT ENFORCEMENT PROCEDURES FOR TAX INTERCEPT AND FINANCIAL DATA MATCH”.

2. Amend page 7, line 19, after “INCLUDE” by striking out the balance of the line through “TO,” on line 20.

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

Senator Peters requested the yeas and nays.

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

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

**Roll Call No. 825**

**Yeas—13**

Byrum  
Cherry  
DeBeaussaert  
Dingell

Emerson  
Koivisto  
Leland

Miller  
Murphy  
Peters

Scott  
Smith  
Young

**Nays—23**

Bennett  
Bullard  
DeGrow  
Dunaskiss  
Emmons  
Garcia

Gast  
Goschka  
Gougeon  
Hammerstrom  
Hoffman  
Johnson

McCotter  
McManus  
North  
Sanborn  
Schuette  
Schwarz

Shugars  
Sikkema  
Steil  
Stille  
Van Regenmorter



**Roll Call No. 827****Yeas—23**

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

**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 Emmons moved that the bill be given immediate effect.

The motion did not prevail, 2/3 of the members serving not voting therefor.

Senator Emmons requested the yeas and nays.

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

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

**Roll Call No. 828****Yeas—23**

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

**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

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

“An act to create the office of child support; and to prescribe certain powers and duties of the office, certain public and private agencies, and certain employers and former employers.”

The Senate agreed to the full title.

Senator Emmons moved that the bill be given immediate effect.

The question being on the motion to give the bill immediate effect,

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

The motion prevailed.

**Protests**

Senators Scott and Young, under their constitutional right of protest (Art. 4, Sec. 18), protested against the passage of House Bill No. 6008.

Senator Scott’s statement, in which Senator Young concurred, is as follows:

Centralization is uncertain and clearly shows to be not effective. Moving services provided by our Friend of the Court to Lansing or wherever might not be the best choice. Friend of the Court works with families to meet their needs. They are local, and they are part of the community. Being able to call them or stop by the office makes them accessible. However, if we are going to just let any service be centralized, we are moving services away from the family. Who will they call to check for an update on their calls or if there is a problem regarding that centralized service? Studies have also shown that with centralized services, noncustodial parents are often the target. They become further disengaged with their children; thus, in my belief, centralized services will only push noncustodial mothers and fathers ever further way from their children.

In committee, the department testified erroneously that the bills before us only would centralize service for cases with large past-due arrearages. They were misleading because it did more than that. The S-2 version did tighten some of the provisions, but not enough. I’m still hearing complaints from counties regarding the rollout of the generations 2 and prosecutor’s module of the child support enforcement system. I hear complaints about the lack of formation of the Friend of the Court’s Citizens Advisory Committee. These and other problems need to be addressed first before we start centralizing any Friend of the Court service.

I have concerns, as I know you do also. Allowing centralized, unreachable entities to perfect liens on properties and perform other enforcement services is a real concern of mine.

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

The motion prevailed.

Senator Byrum’s statement is as follows:

It seems as though it’s the time of year that we say goodbye to those interns who we have had in our offices. I, in particular, have had a young woman in my office for the last two years. Stacy Pratt came to my office as part of the Lansing School District student government program last year. Then she continued to be an intern this year on a part-time basis. She’s working full-time in my Senate office this summer.

But Stacy is going to be leaving for her college experience in the next few weeks. She’ll be attending DePaul University in Chicago. She is one of those bright, young, energetic individuals who has been a shining star in our office, and she will be greatly missed. I would like Stacy to stand up so my colleagues could recognize her. We wish her the very best as she embarks in her career and enters DePaul University.

Thank you, Stacy, for all you’ve done for my office and my constituents.

The following bill was read a third time:

**House Bill No. 5457, entitled**

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

The question being on the passage of the bill,

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

**Roll Call No. 829****Yeas—36**

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

**Nays—0****Excused—2**

Hart	Vaughn
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**Not Voting—0**

In The Chair: Schwarz

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

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

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

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

The Senate agreed to the full title.

The following bill was read a third time:

**House Bill No. 5458, entitled**

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

The question being on the passage of the bill,

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

**Roll Call No. 830****Yeas—36**

Bennett	Emmons	Leland	Schwarz
Bullard	Garcia	McCotter	Scott
Byrum	Gast	McManus	Shugars
Cherry	Goschka	Miller	Sikkema
DeBeaussaert	Gougeon	Murphy	Smith
DeGrow	Hammerstrom	North	Steil

Dingell  
Dunaskiss  
Emerson

Hoffman  
Johnson  
Koivisto

Peters  
Sanborn  
Schuette

Stille  
Van Regenmorter  
Young

**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.

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

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

The Senate agreed to the full title.

The following bill was read a third time:

**House Bill No. 5459, entitled**

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

The question being on the passage of the bill,

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

**Roll Call No. 831**

**Yeas—36**

Bennett  
Bullard  
Byrum  
Cherry  
DeBeaussaert  
DeGrow  
Dingell  
Dunaskiss  
Emerson

Emmons  
Garcia  
Gast  
Goschka  
Gougeon  
Hammerstrom  
Hoffman  
Johnson  
Koivisto

Leland  
McCotter  
McManus  
Miller  
Murphy  
North  
Peters  
Sanborn  
Schuette

Schwarz  
Scott  
Shugars  
Sikkema  
Smith  
Steil  
Stille  
Van Regenmorter  
Young

**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.

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

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

The Senate agreed to the full title.

By unanimous consent the Senate returned to the order of

**Messages from the House**

Senator Emmons moved that rule 3.202 be suspended to permit immediate consideration of the following bills:

**Senate Bill No. 1275**

**Senate Bill No. 1358**

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

**Senate Bill No. 1275, entitled**

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

The House of Representatives has amended the bill as follows:

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

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

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

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

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

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

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

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

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

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

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

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



6. Amend page 3, line 19, after the first "A" by striking out "JUDGE OR DISTRICT COURT".

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

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

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

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

**Roll Call No. 833****Yeas—30**

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

**Nays—6**

DeBeaussaert	Murphy	Smith	Young
Emerson	Scott		

**Excused—2**

Hart	Vaughn
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**Not Voting—0**

In The Chair: Schwarz

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

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

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

Senator Emmons moved that rule 3.202 be suspended to permit immediate consideration of the following bills:

**Senate Bill No. 184**  
**Senate Bill No. 1094**  
**Senate Bill No. 749**  
**Senate Bill No. 809**  
**Senate Bill No. 925**  
**Senate Bill No. 1170**  
**Senate Bill No. 1174**  
**Senate Bill No. 1175**  
**Senate Bill No. 1302**  
**Senate Bill No. 1316**  
**House Bill No. 5336**

**House Bill No. 5365****House Bill No. 5896****House Bill No. 6074**

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

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

**Senate Bill No. 184, entitled**

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

The House of Representatives has amended the bill as follows:

1. Amend page 5, following line 11, by inserting:

"(3) THE EXEMPTION FROM LIABILITY UNDER SUBSECTION (1) DOES NOT APPLY TO A PHYSICIAN'S ASSISTANT UNLESS THE RESPONSE BY THE PHYSICIAN'S ASSISTANT IS WITHIN THE SCOPE OF THE LICENSE HELD BY THE PHYSICIAN'S ASSISTANT OR WITHIN THE EXPERTISE OR TRAINING OF THE PHYSICIAN'S ASSISTANT." and renumbering the remaining subsection.

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

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

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

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

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

**Roll Call No. 834****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	Sanborn	Young
Emerson	Koivisto	Schwarz	

**Nays—0****Excused—2**

Hart	Vaughn
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**Not Voting—1**

Schuette

In The Chair: Hoffman

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

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

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

**Senate Bill No. 356, entitled**

A bill to amend 1951 PA 33, entitled “An act to provide police and fire protection for townships and for certain areas in townships, certain incorporated villages, and cities under 15,000 population; to authorize contracting for fire and police protection; to authorize the purchase of fire and police equipment, and the maintenance and operation of the equipment; to provide for defraying the cost of the equipment; to authorize the creation of special assessment districts and the levying and collecting of special assessments; to authorize the issuance of special assessment bonds in anticipation of the collection of special assessments and the advancement of the amount necessary to pay such bonds, and to provide for reimbursement for such advances by reassessment if necessary; to authorize the collection of fees for certain emergency services in townships and other municipalities; to authorize the creation of administrative boards and to prescribe their powers and duties; to provide for the appointment of traffic officers and to prescribe their powers and duties; and to repeal certain acts and parts of acts,” by amending section 1 (MCL 41.801), as amended by 1998 PA 545.

The House of Representatives has concurred in the Senate amendments to the House substitute (H-2).

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

**Senate Bill No. 794, entitled**

A bill to amend 1978 PA 368, entitled “Public health code,” by amending section 2882 (MCL 333.2882), as amended by 1997 PA 54.

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

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

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

The Senate agreed to the full title.

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

Senator Emmons moved that Senator Schuette be excused from the balance of today’s session.

The motion prevailed.

**Senate Bill No. 1094, entitled**

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

The House of Representatives has amended the bill as follows:

1. Amend page 6, line 5, after “COMMODITIES” by inserting a comma and “TO A VEHICLE EN ROUTE TO A REPAIR FACILITY, OR TO A VEHICLE ENGAGED IN CONSTRUCTION ACTIVITY”.

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

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

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

**Roll Call No. 835**

**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	Sanborn	Young
Emerson	Koivisto	Schwarz	

**Nays—0**

**Excused—3**

Hart

Schuette

Vaughn

**Not Voting—0**

In The Chair: Hoffman

The question being on concurring in the committee recommendation to give the bill immediate effect, The recommendation was concurred in, 2/3 of the members serving voting therefor.  
The Senate agreed to the full title.  
The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

**Senate Bill No. 1232, entitled**

A bill to amend 1949 PA 300, entitled "An act to provide for the registration, titling, sale, transfer, and regulation of certain vehicles operated upon the public highways of this state or any other place open to the general public or generally accessible to motor vehicles and distressed vehicles; to provide for the licensing of dealers; to provide for the examination, licensing, and control of operators and chauffeurs; to provide for the giving of proof of financial responsibility and security by owners and operators of vehicles; to provide for the imposition, levy, and collection of specific taxes on vehicles, and the levy and collection of sales and use taxes, license fees, and permit fees; to provide for the regulation and use of streets and highways; to create certain funds; to provide penalties and sanctions for a violation of this act; to provide for civil liability of owners and operators of vehicles and service of process on residents and nonresidents; to provide for the levy of certain assessments; to provide for the enforcement of this act; to provide for the creation of and to prescribe the powers and duties of certain state and local agencies; to impose liability upon the state or local agencies; to repeal all other acts or parts of acts inconsistent with this act or contrary to this act; and to repeal certain parts of this act on a specific date," by amending sections 6, 7a, 212, 306, 307, 309, 312e, 312f, 319, 319b, 319c, 321, 321b, 323c, 667, 667a, 668, 669, 670, 732, 904, and 907 (MCL 257.6, 257.7a, 257.212, 257.306, 257.307, 257.309, 257.312e, 257.312f, 257.319, 257.319b, 257.319c, 257.321, 257.321b, 257.323c, 257.667, 257.667a, 257.668, 257.669, 257.670, 257.732, 257.904, and 257.907), section 6 as amended by 1992 PA 297, sections 7a and 323c as amended by 1991 PA 100, section 212 as amended by 1980 PA 398, section 306 as amended by 1999 PA 40, sections 307, 312f, and 319b as amended by 2002 PA 259, section 309 as amended by 2000 PA 456, section 312e as amended by 2000 PA 158, section 319 as amended by 2002 PA 422, section 319c as added by 1988 PA 346, section 667a as added by 2000 PA 367, section 668 as amended by 1980 PA 101, section 669 as amended by 1995 PA 248, section 732 as amended by 2002 PA 422, section 904 as amended by 2000 PA 77, and section 907 as amended by 2001 PA 214, and by adding sections 319g and 669a; and to repeal acts and parts of acts.

The House of Representatives has concurred in the Senate substitute (S-3) to the House substitute (H-1) and agreed to the title.

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

**Senate Bill No. 1241, entitled**

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

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

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

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

**Senate Bill No. 1242, entitled**

A bill to amend 1980 PA 350, entitled "The nonprofit health care corporation reform act," (MCL 550.1101 to 550.1704) by adding section 416c.

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

The question being on concurring in the committee recommendation to give the bill immediate effect,  
The recommendation was concurred in, 2/3 of the members serving voting therefor.  
The Senate agreed to the full title.  
The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

**Senate Bill No. 534, entitled**

A bill to amend 1968 PA 251, entitled "Cemetery regulation act," by amending section 9 (MCL 456.529), as amended by 1982 PA 132.

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

The question being on concurring in the committee recommendation to give the bill immediate effect,  
The recommendation was concurred in, 2/3 of the members serving voting therefor.  
The Senate agreed to the full title.  
The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

**Senate Bill No. 535, entitled**

A bill to amend 1927 PA 10, entitled "An act to authorize cemetery corporations to sell or convey property rights, franchises and liabilities to a municipal corporation," by amending the title and sections 1, 2, 3, and 4 (MCL 456.181, 456.182, 456.183, and 456.184).

The House of Representatives has passed the bill and ordered that the bill be given immediate effect.  
The question being on concurring in the committee recommendation to give the bill immediate effect,  
The recommendation was concurred in, 2/3 of the members serving voting therefor.  
The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

**Senate Bill No. 749, entitled**

A bill to amend 1980 PA 350, entitled "The nonprofit health care corporation reform act," by amending sections 451, 455, 459, 461, 465, 469, and 479 (MCL 550.1451, 550.1455, 550.1459, 550.1461, 550.1465, 550.1469, and 550.1479), as added by 1994 PA 40, and by adding sections 480 and 480a; and to repeal acts and parts of acts.

The House of Representatives has amended the bill as follows:

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

"SEC. 218. (1) A HEALTH CARE CORPORATION SHALL NOT DO ANY OF THE FOLLOWING:

(A) TAKE ANY ACTION TO CHANGE ITS NONPROFIT STATUS.

(B) DISSOLVE, MERGE, CONSOLIDATE, OR TAKE ANY OTHER ACTION THAT RESULTS IN A CHANGE IN DIRECT OR INDIRECT CONTROL OF THE HEALTH CARE CORPORATION.

(C) SELL, TRANSFER, LEASE, EXCHANGE, OPTION, CONVEY, OR TAKE ANY OTHER ACTION THAT RESULTS IN THE DISPOSITION OF A MATERIAL AMOUNT OF THE ASSETS OR OPERATIONS OF THE HEALTH CARE CORPORATION TO ANY OTHER PERSON.

(2) IF A HEALTH CARE CORPORATION VIOLATES THIS SECTION, THE COMMISSIONER MAY PROCEED IN THE SAME MANNER AS PRESCRIBED FOR REHABILITATION UNDER CHAPTER 81 OF THE INSURANCE CODE OF 1956, 1956 PA 218, MCL 500.8101 TO 500.8160."

2. Amend page 2, line 20, after "TO" by striking out "1109" and inserting "1110".

3. Amend page 81, line 15, by striking out all of enacting section 1 and inserting:

"Enacting section 1. Sections 216, 217, and 487 of the nonprofit health care corporation reform act, 1980 PA 350, MCL 550.1216, 550.1217, and 550.1487, are repealed."

The House of Representatives has passed the bill as amended, ordered that it be given immediate effect and amended the title to read as follows:

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

and 479 (MCL 550.1451, 550.1455, 550.1459, 550.1461, 550.1465, 550.1469, and 550.1479), as added by 1994 PA 40, and by adding sections 218, 480, and 480a; and to repeal acts and parts of acts.

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

Senators Schwarz and Bullard offered the following amendment to the amendments:

1. Amend House Amendment No. 1, page 1, following "THE PEOPLE OF THE STATE OF MICHIGAN ENACT:" after "SEC. 218." by striking out the balance of the amendment and inserting "A HEALTH CARE CORPORATION SHALL NOT DO ANY OF THE FOLLOWING:

(A) TAKE ANY ACTION TO CHANGE ITS NONPROFIT STATUS.

(B) DISSOLVE, MERGE, CONSOLIDATE, MUTUALIZE, OR TAKE ANY OTHER ACTION THAT RESULTS IN A CHANGE IN DIRECT OR INDIRECT CONTROL OF THE HEALTH CARE CORPORATION OR SELL, TRANSFER, LEASE, EXCHANGE, OPTION, OR CONVEY ASSETS THAT RESULTS IN A CHANGE IN DIRECT OR INDIRECT CONTROL OF THE HEALTH CARE CORPORATION."

The amendment to the amendments was adopted.

The question being on concurring in the House amendments, as amended,

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

**Roll Call No. 836**

**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	Sanborn	Young
Emerson	Koivisto	Schwarz	

**Nays—0**

**Excused—3**

Hart	Schuette	Vaughn
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**Not Voting—0**

In The Chair: Hoffman

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

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

The Senate agreed to the title as amended.

Senator Emmons moved that Senator Schwarz be excused from the balance of today's session.

The motion prevailed.

**Senate Bill No. 809, entitled**

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

The House of Representatives has amended the bill as follows:

1. Amend page 2, following line 27, subsection (2), after the first "SECTION" by striking out "224A" and inserting "224A(1)".

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

3. Amend page 2, following line 27, subsection (2), after the second “SECTION” by striking out “224A” and inserting “224A(1)”.

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

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

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

**Roll Call No. 837**

**Yeas—27**

Bennett	Emmons	Johnson	Sanborn
Bullard	Garcia	Koivisto	Shugars
Byrum	Gast	McCotter	Sikkema
Cherry	Goschka	McManus	Steil
DeBeaussaert	Gougeon	Miller	Stille
DeGrow	Hammerstrom	North	Van Regenmorter
Dingell	Hoffman	Peters	

**Nays—6**

Emerson	Murphy	Smith	Young
Leland	Scott		

**Excused—4**

Hart	Schuette	Schwarz	Vaughn
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**Not Voting—1**

Dunaskiss

In The Chair: Hoffman

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

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

The Senate agreed to the full title.

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

Senator Emerson moved that Senator Smith be excused from the balance of today’s session.

The motion prevailed.

**Senate Bill No. 833, entitled**

A bill to amend 1933 PA 99, entitled “An act to authorize villages, townships, cities, and school districts to enter into contracts and agreements for the purchase of real or personal property for public purposes; to provide for the payment of the purchase price thereof; to authorize school districts to enter into certain other contracts; and to prescribe the use of the real or personal property,” by amending section 1 (MCL 123.721), as amended by 1997 PA 77.

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

The question being on concurring in the committee recommendation to give the bill immediate effect,  
The recommendation was concurred in, 2/3 of the members serving voting therefor.  
The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

**Senate Bill No. 924, entitled**

A bill to amend 1972 PA 222, entitled "An act to provide for an official personal identification card; to provide for its form, issuance and use; to regulate the use and disclosure of information obtained from the card; to prescribe the powers and duties of the secretary of state; to prescribe fees; and to prescribe certain penalties for violations," by amending the title and section 2 (MCL 28.292), the title as amended by 1997 PA 99 and section 2 as amended by 2001 PA 238.

The House of Representatives has passed the bill and ordered that the bill be given immediate effect.  
The question being on concurring in the committee recommendation to give the bill immediate effect,  
The recommendation was concurred in, 2/3 of the members serving voting therefor.  
The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

**Senate Bill No. 925, entitled**

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending the title and sections 310, 310e, and 314 (MCL 257.310, 257.310e, and 257.314), the title as amended by 2000 PA 408, section 310 as amended by 2002 PA 126, section 310e as amended by 2000 PA 456, and section 314 as amended by 2000 PA 173.

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

The House of Representatives has passed the bill as substituted (H-1), ordered that it be given immediate effect and amended the title to read as follows:

A bill to amend 1949 PA 300, entitled "An act to provide for the registration, titling, sale, transfer, and regulation of certain vehicles operated upon the public highways of this state or any other place open to the general public or generally accessible to motor vehicles and distressed vehicles; to provide for the licensing of dealers; to provide for the examination, licensing, and control of operators and chauffeurs; to provide for the giving of proof of financial responsibility and security by owners and operators of vehicles; to provide for the imposition, levy, and collection of specific taxes on vehicles, and the levy and collection of sales and use taxes, license fees, and permit fees; to provide for the regulation and use of streets and highways; to create certain funds; to provide penalties and sanctions for a violation of this act; to provide for civil liability of owners and operators of vehicles and service of process on residents and nonresidents; to provide for the levy of certain assessments; to provide for the enforcement of this act; to provide for the creation of and to prescribe the powers and duties of certain state and local agencies; to impose liability upon the state or local agencies; to repeal all other acts or parts of acts inconsistent with this act or contrary to this act; and to repeal certain parts of this act on a specific date," by amending the title and sections 310, 310e, and 314 (MCL 257.310, 257.310e, and 257.314), the title as amended by 2000 PA 408, section 310 as amended by 2002 PA 126, section 310e as amended by 2002 PA 422, and section 314 as amended by 2000 PA 173.

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

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

**Roll Call No. 838**

**Yeas—33**

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

**Nays—0**

**Excused—5**

Hart	Schwarz	Smith	Vaughn
Schuette			

**Not Voting—0**

In The Chair: Hoffman

The question being on concurring in the committee recommendation to give the bill immediate effect,  
The recommendation was concurred in, 2/3 of the members serving voting therefor.  
The Senate agreed to the title as amended.  
The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

**Senate Bill No. 1062, entitled**

A bill to amend 1913 PA 380, entitled "An act to regulate gifts of real and personal property to cities, villages, townships, and counties, and the use of the those gifts; and to validate all such gifts made before the enactment of this act," by amending section 1 (MCL 123.871), as amended by 1985 PA 9; and to repeal acts and parts of acts.

The House of Representatives has concurred in the Senate amendment to the House substitute (H-1).  
The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

**Senate Bill No. 1104, entitled**

A bill to make appropriations for the department of environmental quality for the fiscal year ending September 30, 2003; to provide for the expenditure of those appropriations; to create certain funds and accounts; to require certain reports; to prescribe the powers and duties of certain state agencies and officials; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by the various state agencies.

(For second Conference Report, see Senate Journal No. 56, p. 1708.)

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

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

**Senate Bill No. 1170, entitled**

A bill to amend 1984 PA 270, entitled "Michigan strategic fund act," by amending sections 23 and 47 (MCL 125.2023 and 125.2047), section 23 as amended by 1987 PA 278.

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

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

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

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

**Roll Call No. 839****Yeas—33**

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

**Nays—0**

**Excused—5**Hart  
Schuette

Schwarz

Smith

Vaughn

**Not Voting—0**

In The Chair: Hoffman

The question being on concurring in the committee recommendation to give the bill immediate effect,  
The recommendation was concurred in, 2/3 of the members serving voting therefor.  
The Senate agreed to the full title.  
The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

**Senate Bill No. 1174, entitled**

A bill to amend 1969 PA 295, entitled "Higher education facilities authority act," by amending section 6 (MCL 390.926), as amended by 1982 PA 409.

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

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

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

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

**Roll Call No. 840****Yeas—33**Bennett  
Bullard  
Byrum  
Cherry  
DeBeaussaert  
DeGrow  
Dingell  
Dunaskiss  
EmersonEmmons  
Garcia  
Gast  
Goschka  
Gougeon  
Hammerstrom  
Hoffman  
JohnsonKoivisto  
Leland  
McCotter  
McManus  
Miller  
Murphy  
North  
PetersSanborn  
Scott  
Shugars  
Sikkema  
Steil  
Stille  
Van Regenmorter  
Young**Nays—0****Excused—5**Hart  
Schuette

Schwarz

Smith

Vaughn

**Not Voting—0**

In The Chair: Hoffman

The question being on concurring in the committee recommendation to give the bill immediate effect,  
 The recommendation was concurred in, 2/3 of the members serving voting therefor.  
 The Senate agreed to the full title.  
 The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

**Senate Bill No. 1175, entitled**

A bill to amend 1975 PA 222, entitled "Higher education loan authority act," by amending section 5 (MCL 390.1155), as amended by 1984 PA 259.

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

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

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

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

**Roll Call No. 841**

**Yeas—33**

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

**Nays—0**

**Excused—5**

Hart	Schwarz	Smith	Vaughn
Schuette			

**Not Voting—0**

In The Chair: Hoffman

The question being on concurring in the committee recommendation to give the bill immediate effect,  
 The recommendation was concurred in, 2/3 of the members serving voting therefor.  
 The Senate agreed to the full title.  
 The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

**Senate Bill No. 1176, entitled**

A bill to amend 1976 PA 289, entitled "An act to implement, clarify, and confirm the constitutional powers of the bodies corporate controlling those institutions of higher education named in sections 4, 5, and 6 of article 8 of the state constitution of 1963, or established by law as therein provided, regarding the establishment and financing of student loan programs," by amending section 2 (MCL 390.1352).

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

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

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

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

**Senate Bill No. 1266, entitled**

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

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

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

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

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

**Senate Bill No. 1302, entitled**

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

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

The House of Representatives has passed the bill as substituted (H-1), ordered that it be given immediate effect and amended the title to read as follows:

A bill to amend 2001 PA 34, entitled "An act relative to the borrowing of money and the issuance of certain debt and securities; to provide for tax levies and sinking funds; to prescribe powers and duties of certain departments, state agencies, officials, and employees; to impose certain duties, requirements, and filing fees upon political subdivisions of this state; to authorize the issuance of certain debt and securities; to prescribe penalties; and to repeal acts and parts of acts," by amending sections 105, 303, 319, 401, 517, and 809 (MCL 141.2105, 141.2303, 141.2319, 141.2401, 141.2517, and 141.2809) and by adding sections 304, 308, and 802; and to repeal acts and parts of acts.

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

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

**Roll Call No. 842****Yeas—32**

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

**Nays—0**

**Excused—5**

Hart  
Schuette

Schwarz

Smith

Vaughn

**Not Voting—1**

Dingell

In The Chair: Hoffman

The question being on concurring in the committee recommendation to give the bill immediate effect, The recommendation was concurred in, 2/3 of the members serving voting therefor. The Senate agreed to the title as amended. The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

**Senate Bill No. 1316, entitled**

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

The House of Representatives has substituted (H-2) the bill.

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

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

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

Senator Emmons offered the following amendments to the substitute:

1. Amend page 40, line 8, after "Sec. 26." by striking out "(1)".
2. Amend page 40, line 14, by striking out all of subsections (2) and (3).

The amendments to the substitute were adopted.

Senator Emmons offered the following amendment to the substitute:

1. Amend page 23, line 16, by striking out all of subsection (3) and inserting:

"(3) The authority shall certify all of the following personal property and shall provide proof of certification to the assessor of the local tax collecting unit in which the following personal property is located:

(a) Alternative energy marine propulsion systems, alternative energy systems, and alternative energy vehicles that meet both of the following requirements:

(i) Were not previously subject to the collection of taxes under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157.

(ii) Were not previously exempt from the collection of taxes under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157, except for personal property exempt under section 9c or 9i of the general property tax act, 1893 PA 206, MCL 211.9c and 211.9i.

(b) Tangible personal property of a business that is not an alternative energy technology business that is used solely for the purpose of researching, developing, or manufacturing an alternative energy technology that meets both of the following requirements:

(i) Was not previously subject to the collection of taxes under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157.

(ii) Was not previously exempt from the collection of taxes under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157, except for personal property exempt under section 9c or 9i of the general property tax act, 1893 PA 206, MCL 211.9c and 211.9i.”.

The amendment to the substitute was adopted.

The question being on concurring in the House substitute, as amended,

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

**Roll Call No. 843**

**Yeas—33**

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

**Nays—0**

**Excused—5**

Hart	Schwarz	Smith	Vaughn
Schuette			

**Not Voting—0**

In The Chair: Hoffman

The question being on concurring in the committee recommendation to give the bill immediate effect, The recommendation was not concurred in, 2/3 of the members serving not voting therefor.

Senator Emmons requested the yeas and nays.

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

The recommendation was not concurred in, 2/3 of the members serving not voting therefor, as follows:

**Roll Call No. 844**

**Yeas—22**

Bennett	Garcia	Koivisto	Shugars
Bullard	Goschka	McCotter	Sikkema
DeGrow	Gougeon	McManus	Steil

Dingell  
Dunaskiss  
Emmons

Hammerstrom  
Hoffman  
Johnson

North  
Sanborn

Stille  
Van Regenmorter

**Nays—8**

Byrum  
DeBeaussaert

Leland  
Miller

Murphy  
Peters

Scott  
Young

**Excused—5**

Hart  
Schuette

Schwarz

Smith

Vaughn

**Not Voting—3**

Cherry

Emerson

Gast

In The Chair: Hoffman

The Senate agreed to the title as amended.

**House Bill No. 5336, entitled**

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

The House of Representatives has substituted (H-3) the Senate substitute (S-2).

The House of Representatives has concurred in the Senate substitute (S-2) as substituted (H-3) and agreed to the title.

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

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

**Roll Call No. 845**

**Yeas—32**

Bennett  
Bullard  
Byrum  
Cherry  
DeBeaussaert  
DeGrow  
Dingell  
Dunaskiss

Emerson  
Emmons  
Garcia  
Goschka  
Gougeon  
Hammerstrom  
Hoffman  
Johnson

Koivisto  
Leland  
McCotter  
McManus  
Miller  
Murphy  
North  
Peters

Sanborn  
Scott  
Shugars  
Sikkema  
Steil  
Stille  
Van Regenmorter  
Young

**Nays—0**

**Excused—5**Hart  
Schuette

Schwarz

Smith

Vaughn

**Not Voting—1**

Gast

In The Chair: Hoffman

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

**House Bill No. 5365, entitled**

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

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

The House of Representatives has concurred in the Senate substitute (S-2) as substituted (H-1)\* and amended the title to read as follows:

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

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

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

**Roll Call No. 846****Yeas—32**Bennett  
Bullard  
Byrum  
Cherry  
DeBeaussaert  
DeGrow  
Dingell  
DunaskissEmerson  
Emmons  
Garcia  
Goschka  
Gougeon  
Hammerstrom  
Hoffman  
JohnsonKoivisto  
Leland  
McCotter  
McManus  
Miller  
Murphy  
North  
PetersSanborn  
Scott  
Shugars  
Sikkema  
Steil  
Stille  
Van Regenmorter  
Young**Nays—0****Excused—6**Gast  
HartSchuette  
Schwarz

Smith

Vaughn

**Not Voting—0**

In The Chair: Hoffman

The Senate agreed to the title as amended.

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

“An act to provide for the registration, titling, sale, transfer, and regulation of certain vehicles operated upon the public highways of this state or any other place open to the general public or generally accessible to motor vehicles and distressed vehicles; to provide for the licensing of dealers; to provide for the examination, licensing, and control of operators and chauffeurs; to provide for the giving of proof of financial responsibility and security by owners and operators of vehicles; to provide for the imposition, levy, and collection of specific taxes on vehicles, and the levy and collection of sales and use taxes, license fees, and permit fees; to provide for the regulation and use of streets and highways; to create certain funds; to provide penalties and sanctions for a violation of this act; to provide for civil liability of owners and operators of vehicles and service of process on residents and nonresidents; to provide for the levy of certain assessments; to provide for the enforcement of this act; to provide for the creation of and to prescribe the powers and duties of certain state and local agencies; to impose liability upon the state or local agencies; to repeal all other acts or parts of acts inconsistent with this act or contrary to this act; and to repeal certain parts of this act on a specific date.”

The Senate agreed to the full title.

### **House Bill No. 5896, entitled**

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

The House of Representatives has amended the Senate amendment as follows:

1. Amend the Senate Amendment, page 7, following line 19, subsection (12), after the first “(12)” by striking out the balance of the amendment and inserting “NOT LATER THAN OCTOBER 1, 2004, THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION SHALL REPORT TO THE LEGISLATURE ON THE EFFECT OF THE AMENDATORY ACT THAT ADDED THIS SUBSECTION UPON LOCAL UNITS OF GOVERNMENT AND SCHOOL DISTRICTS.”

The House of Representatives has concurred in the Senate amendments as amended and pursuant to Joint Rule 20 agreed to the full title.

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

Senator Stille offered the following amendment to the House amendment:

1. Amend the House Amendment to the Senate Amendment, page 7, following line 19, subsection (12), after “NOT” by striking out the balance of the amendment and inserting “INCLUDING CERTIFIED TECHNOLOGY PARKS DESIGNATED UNDER SUBSECTION (8), BUT FOR CERTIFIED TECHNOLOGY PARKS DESIGNATED UNDER SUBSECTION (9) ONLY, THIS STATE SHALL DO ALL OF THE FOLLOWING:

(A) REIMBURSE INTERMEDIATE SCHOOL DISTRICTS EACH YEAR FOR ALL TAX REVENUE LOST THAT WAS CAPTURED BY AN AUTHORITY FOR A CERTIFIED TECHNOLOGY PARK DESIGNATED BY THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBDIVISION.

(B) REIMBURSE LOCAL SCHOOL DISTRICTS EACH YEAR FOR ALL TAX REVENUE LOST THAT WAS CAPTURED BY AN AUTHORITY FOR A CERTIFIED TECHNOLOGY PARK DESIGNATED BY THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBDIVISION.

(C) REIMBURSE THE SCHOOL AID FUND FROM FUNDS OTHER THAN THOSE APPROPRIATED IN SECTION 11 OF THE STATE SCHOOL AID ACT OF 1979, 1979 PA 94, MCL 388.1611, FOR AN AMOUNT EQUAL TO THE REIMBURSEMENT CALCULATIONS UNDER SUBDIVISIONS (A) AND (B) AND FOR ALL REVENUE LOST THAT WAS CAPTURED BY AN AUTHORITY FOR A CERTIFIED TECHNOLOGY PARK DESIGNATED BY THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBDIVISION. FOUNDATION ALLOWANCES CALCULATED UNDER SECTION 20 OF THE STATE SCHOOL AID ACT OF 1979, 1979 PA 94, MCL 388.1620, SHALL NOT BE REDUCED AS A RESULT OF TAX REVENUE LOST THAT WAS CAPTURED BY AN AUTHORITY FOR A CERTIFIED TECHNOLOGY PARK DESIGNATED BY THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION UNDER SUBSECTION (9) AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBDIVISION.”

The amendment to the amendment was adopted.

The question being on concurring in the House amendment to the Senate amendment, as amended,

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

**Roll Call No. 847****Yeas—32**

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

**Nays—0****Excused—6**

Gast	Schuetz	Smith	Vaughn
Hart	Schwarz		

**Not Voting—0**

In The Chair: Hoffman

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

**House Bill No. 6074, entitled**

A bill to amend 1893 PA 206, entitled "The general property tax act," (MCL 211.1 to 211.157) by adding section 9i.  
The House of Representatives has substituted (H-6) the Senate substitute (S-1).  
The House of Representatives has concurred in the Senate substitute (S-1) as substituted (H-6).  
The question being on concurring in the House substitute made to the Senate substitute,  
The substitute was concurred in, a majority of the members serving voting therefor, as follows:

**Roll Call No. 848****Yeas—32**

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

**Nays—0****Excused—6**

Gast	Schuetz	Smith	Vaughn
Hart	Schwarz		

**Not Voting—0**

In The Chair: Hoffman

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

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

The Senate agreed to the full title.

By unanimous consent the Senate proceeded to the order of

**Resolutions**

The question was placed on the adoption of the following resolution consent calendar:

**Senate Resolution No. 240**

**Senate Resolution No. 242**

**Senate Resolution No. 243**

**Senate Resolution No. 244**

**Senate Concurrent Resolution No. 66**

The resolution consent calendar was adopted.

Senators Young, Scott, Dingell, Smith, Leland, Emerson, DeBeaussaert, Koivisto, Byrum, Miller, Murphy, McManus, Cherry and Goschka offered the following resolution:

**Senate Resolution No. 240.**

A resolution to recognize the 20th Annual Metro Detroit Youth Day.

Whereas, The 20th Annual Metro Detroit Youth Day will be held on July 10, 2002, at Belle Isle's athletic field in Detroit. This special event is sponsored by General Motors Corporation, WDIV-TV4, McDonald's, Michigan Food and Beverage Association, Pepsi-Cola Co., Detroit Recreation Department, DTE Energy, Compuware, Spartan Stores, Inc., *Detroit Free Press*, *The Detroit News*, Blue Cross Blue Shield of Michigan, K-Mart Corp., SBC/Ameritech, Volkswagen, Kroger Food Stores, Detroit Lions, Powerhouse Gyms, Big Boy Restaurants, Target Stores, Comcast Cablevision, Fairlane Town Center, WWL Newsradio 950, Sibley Shoes, Bank One, many other sponsors including food and beverage firms, and over 120 community and youth organizations who recognize that leisure and recreation are basic human needs and youth must use this time to improve the quality of their life and life's disciplines; and

Whereas, Metro Detroit Youth Day emphasizes the need for physical education facilities and fitness with the need for good sportsmanship; and

Whereas, It is acknowledged that our youth are a valuable asset to our communities and the foundation of our future; and

Whereas, Metro Detroit Youth Day is intended to bring together the community and the private sector to enhance relationships and improve cooperation and harmony in our communities; and

Whereas, This event also provides an opportunity for youth to participate in constructive activities outside their immediate home areas, working with other youngsters and numerous volunteers; and

Whereas, Community groups such as New Detroit, Inc., NAACP, Detroit Urban League, Salvation Army, Boys and Girls Clubs, Boy Scouts, Girl Scouts, YMCA, YWCA, Focus:HOPE, United Way Community Services, Special Olympics, Detroit Police Cadets, and many others are participating as co-sponsors; and

Whereas, Outstanding and dedicated community leaders, including Ed Deeb of the Michigan Food and Beverage Association, Dr. Tom Moss of West Side Clubs Athletics, Keith Bennet of Starr Commonwealth Schools, Hurley Coleman of Detroit Recreation Department, Sergeant Curtis Perry of Detroit Police Cadets, and Dr. Lynne Boyle of the Kiwanis Club, are co-chairing this event along with over 900 volunteers supervising the 20,000 youths who are expected to attend; now, therefore, be it

Resolved by the Senate, That we hereby recognize July 10, 2002, as the 20th Annual Metro Detroit Youth Day and acknowledge the positive contributions the private sector has made to our area youth and the community; and be it further

Resolved, That a copy of this resolution be transmitted to the organizers of this event in appreciation for their diligent community service and the high esteem we have for them.

Senators Johnson and Goschka offered the following resolution:

**Senate Resolution No. 242.**

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

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

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

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

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

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

Senators Bennett and Schuette offered the following resolution:

**Senate Resolution No. 243.**

A resolution honoring Aleksander Kwasniewski, President of Poland.

Whereas, On the occasion of only the second official state visit by a foreign head of state, the members of the Michigan Senate wish to pay tribute to Aleksander Kwasniewski, President of Poland. President Kwasniewski will be a guest, along with President George Bush, of the American Polish Cultural Center in Troy and its president, Stanley T. Grot, on July 18, 2002. The American Polish Cultural Center is comprised of 1,000 members and 35 organizations; and

Whereas, President Kwasniewski's accomplishments include helping his party, the SLD—social democratic party—win the majority in the Sejm and Parliament. He is only the second democratically elected Polish president following the reorganization of Europe; and

Whereas, Commitment to his country can be observed in the continuation of converting the economy to a free market. During his presidency, President Kwasniewski has helped to attract more foreign investors to Poland, as well as lowering the inflation rate and unemployment; and

Whereas, President Kwasniewski's ideas and goals have made Poland one of the fastest developing and economically aggressive countries in Europe; now, therefore, be it

Resolved by the Senate, That our highest honor be accorded to President Aleksander Kwasniewski during his visit to the state of Michigan; and be it further

Resolved, That copies of this resolution be transmitted to President Aleksander Kwasniewski in honor of his visit, as well as Stanley T. Grot, president of the American Polish Cultural Center in Troy.

Senators Scott, Hart, Byrum, Koivisto, Peters, North, Gougeon, McManus, Emerson, DeBeaussaert, Smith, Dingell, McCotter, Gast, Steil, Bullard, Hammerstrom, Johnson, Sikkema, Bennett, Shugars, Cherry, Miller, Young, Leland and Murphy offered the following resolution:

**Senate Resolution No. 244.**

A resolution commemorating October 2002 as Respect Month and October 30, 2002, as Respect Your Neighborhood Day, and urging the President and the Congress of the United States to proclaim the same.

Whereas, For over ten years, the state of Michigan has recognized October as Respect Month, a time for adults with influence over young people to talk with them about respect; and

Whereas, The state of Michigan has proclaimed October 30 as Respect Your Neighborhood Day, a time for people of all ages to launch projects that encourage respect for one another and serve their communities as a whole; and

Whereas, This has led young people to participate in such projects including the clean up of vacant lots and helping senior citizens; and

Whereas, In 1998, the City Councils of Detroit and Highland Park voted to make Respect Month and Respect Your Neighborhood Day permanent occasions in their cities and to request the President and the Congress of the United States to proclaim such occasions on a national level; and

Whereas, In 1999, the Highland Park School Board made a similar request; and

Whereas, Encouraging adults to help create an atmosphere of respect may avert tragedies and save lives. The recent horrors on September 11, 2001, and the shootings in schools like Columbine are prime examples of why prevention is crucial; and

Whereas, Such tragedies demonstrate why it is imperative that adults with influence over children communicate basic tenets of respect and demonstrate ways in which serving our communities can help maintain the dignity of all members of society; and

Whereas, Respect Month will function as a time to positively model respect, promote respect, and encourage youth and their peers to do the same for each other, their communities, and mankind; and

Whereas, Adults who can have an impact on children by putting an emphasis on the meaning of and the need for respect in society are invaluable to this cause, and character education brings about a greater respect and appreciation for all. The meaning of respect is ascertained during childhood, and the exhibiting of respect by adults is of great importance; and

Whereas, Proclaiming Respect Month and Respect Your Neighborhood Day will encourage service projects and conflict resolution courses, which are two ways to combat poor self-esteem and lack of self-respect which can lead to violence; and

Whereas, The existing diversity in our communities must be admired, appreciated, and valued, but without respect, this society will not achieve its full potential; now, therefore, be it

Resolved by the Senate, That the members of this legislative body commemorate October 2002 as Respect Month and October 30, 2002, as Respect Your Neighborhood Day on a permanent basis in the state of Michigan; and be it further

Resolved, That we urge President George W. Bush and the Congress of the United States to make such proclamations for the country as a whole; and be it further

Resolved, That a copy of this resolution be transmitted to the President of the United States, the President of the U.S. Senate, the Speaker of the U.S. House of Representatives, and the Michigan congressional delegation.

Senators Goschka, Johnson, Hart, Young, Dingell, DeBeaussaert, Steil, Hammerstrom, Schwarz, Emmons and McManus offered the following concurrent resolution:

**Senate Concurrent Resolution No. 66.**

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

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

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

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

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

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

Senator Emmons moved that rule 3.202 be suspended to permit immediate consideration of the following concurrent resolution:

**House Concurrent Resolution No. 68**

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

**House Concurrent Resolution No. 68.**

A concurrent resolution prescribing the legislative schedule.

Resolved by the House of Representatives (the Senate concurring), That when the House of Representatives adjourns on Wednesday, July 3, 2002, it stand adjourned until Tuesday, August 13, 2002 at 10:00 a.m.; and be it further

Resolved, That when the Senate adjourns on Tuesday, July 9, 2002, it stand adjourned until Tuesday, August 13, 2002.

The question being on the adoption of the concurrent resolution,

The concurrent resolution was adopted.

By unanimous consent the Senate proceeded to the order of

**Statements**

Senators Scott and Garcia asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Scott's statement is as follows:

I have pleaded with you for help for Highland Park for months now. I have offered to share with you a plan for the city when you said, "Show us a plan to prove that state help won't be squandered." The state appointed emergency financial manager has cut city services down to nearly nothing, and yet still, the state won't take action to finally help Highland Park. Now the worst has started to happen, and we have lost a business site, a mosque, and occupied houses to fires that couldn't be properly fought because of the city's financial straits.

Last month, I introduced Senate Resolution No. 234, asking that the Governor send the Michigan National Guard to Highland Park to provide fire-fighting services. Instead of action on my resolution, it was shuffled off to a committee where it sits today. With the National Guard's help, we might have saved the shop, the mosque, and the occupied homes that burned to the ground last week. Now Highland Park has burned out buildings and homeless families to further complicate its situation.

It is unconscionable that state government sits by while a few remaining firefighters and Highland Park citizens try to fight fires to save our city. The state took over Highland Park and sent its person in there to run the city. Then state officials inexplicably refused to help her do the job they told her to do.

You haven't let Highland Park declare bankruptcy. You haven't given Highland Park any financial assistance so it can pay its bills and at least staff the police and fire departments. You haven't let the Michigan National Guard help us keep our citizens and our property safe. What are you going to do? Last week we lost buildings. The next time there are fires in Highland Park, we may not be so lucky to only lose structures. I cannot believe that anyone wants to see people die, but that is what could very easily happen the next time.

The lives of Highland Park citizens should not be endangered because of political squabbles over what needs to be done. Please at least act today on my request for National Guard troops to provide public safety services in Highland Park.

Senator Garcia's statement is as follows:

I rise to speak about the Friend of the Court bills that passed earlier today. I had a number of problems with the bill package and gave it my best shot at amending it to make it better. I was not successful. I went ahead and voted for them because I believe that we need to be able to provide single moms and their children the support that they need and make sure that the deadbeat parents pay their child support.

Unfortunately, the Friend of the Court system is not always accurate, it's not always fast, and it is definitely not always fair. While I voted for the bills, I do believe that the Friend of the Court still has major issues. I look forward to working with the administration in Phase II to fix those problems.

By unanimous consent the Senate returned to the order of

**Introduction and Referral of Bills**

Senators Steil and Byrum introduced

**Senate Bill No. 1381, entitled**

A bill to amend 1984 PA 431, entitled "The management and budget act," by amending section 213 (MCL 18.1213). The bill was read a first and second time by title and referred to the Committee on Appropriations.

Senators Steil, Garcia, Shugars, Byrum and Hammerstrom introduced

**Senate Bill No. 1382, entitled**

A bill to amend 1984 PA 431, entitled "The management and budget act," (MCL 18.1101 to 18.1594) by adding section 268a.

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

Senator Sanborn introduced

**Senate Bill No. 1383, entitled**

A bill to amend 1990 PA 182, entitled "An act to require counties to redistribute certain payments received from the federal government; and to repeal certain acts and parts of acts," by amending sections 1 and 3 (MCL 141.1301 and 141.1303).

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

Senator Byrum introduced

**Senate Bill No. 1384, entitled**

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," (MCL 500.100 to 500.8302) by adding section 3940.

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

Senator Bullard introduced

**Senate Bill No. 1385, entitled**

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," by amending sections 2213 and 2213a (MCL 500.2213 and 500.2213a), section 2213 as amended by 2000 PA 252 and section 2213a as added by 1996 PA 517, and by adding section 2213c.

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

**House Bill No. 4035, entitled**

A bill to amend 1998 PA 58, entitled "Michigan liquor control code of 1998," by amending sections 701, 705, and 905 (MCL 436.1701, 436.1705, and 436.1905).

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

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

**House Bill No. 4537, entitled**

A bill to amend 1978 PA 368, entitled "Public health code," (MCL 333.1101 to 333.25211) by adding section 20188.

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

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

**House Bill No. 5296, entitled**

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

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

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

**House Bill No. 5297, entitled**

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 16g of chapter XVII (MCL 777.16g), as amended by 2002 PA 47.

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

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

**House Bill No. 5747, entitled**

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

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

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

**House Bill No. 5858, entitled**

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by amending section 503 (MCL 750.503). The House of Representatives has passed the bill and ordered that it be given immediate effect. The bill was read a first and second time by title and referred to the Committee on Judiciary.

**House Bill No. 5947, entitled**

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending section 44 (MCL 211.44), as amended by 2000 PA 364. The House of Representatives has passed the bill and ordered that it be given immediate effect. The bill was read a first and second time by title and referred to the Committee on Finance.

**House Bill No. 5984, entitled**

A bill to amend 1975 PA 238, entitled "Child protection law," by amending sections 2, 3, and 11 (MCL 722.622, 722.623, and 722.631), section 2 as amended by 2000 PA 45 and section 3 as amended by 2002 PA 10. The House of Representatives has passed the bill and ordered that it be given immediate effect. The bill was read a first and second time by title and referred to the Committee on Families, Mental Health and Human Services.

**House Bill No. 6054, entitled**

A bill to amend 1999 PA 94, entitled "Michigan merit award scholarship act," by amending section 5 (MCL 390.1455). The House of Representatives has passed the bill and ordered that it be given immediate effect. The bill was read a first and second time by title and referred to the Committee on Appropriations.

**House Bill No. 6079, entitled**

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

The House of Representatives has passed the bill and ordered that it be given immediate effect. The bill was read a first and second time by title and referred to the Committee on Judiciary.

**House Bill No. 6095, entitled**

A bill to amend 1978 PA 368, entitled "Public health code," by amending sections 7212, 7401, 7402, 7403, and 7404 (MCL 333.7212, 333.7401, 333.7402, 333.7403, and 333.7404), section 7212 as amended by 1998 PA 248, sections 7401 and 7403 as amended by 2001 PA 236, and sections 7402 and 7404 as amended by 2000 PA 314.

The House of Representatives has passed the bill and ordered that it be given immediate effect. The bill was read a first and second time by title and referred to the Committee on Judiciary.

**House Bill No. 6096, entitled**

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

The House of Representatives has passed the bill and ordered that it be given immediate effect. The bill was read a first and second time by title and referred to the Committee on Judiciary.

**House Bill No. 6113, entitled**

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

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

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

**House Bill No. 6202, entitled**

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

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

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

**House Bill No. 6203, entitled**

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

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

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

**House Bill No. 6204, entitled**

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

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

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

**House Bill No. 6205, entitled**

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

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

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

**House Bill No. 6208, entitled**

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

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

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

By unanimous consent the Senate returned to the order of

**Motions and Communications**

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

**House Bill No. 4080**

The motion prevailed.

Senator Emmons moved that when the Senate adjourns today, it stand adjourned until Tuesday, August 13, at 12:00 noon.

The motion prevailed.

### **Committee Reports**

#### COMMITTEE ATTENDANCE REPORT

The Conference Committee on Transportation (HB 5651) submitted the following:  
Meeting held on Thursday, June 27, 2002, at 8:30 a.m., Room H-424, Capitol Building  
Present: Senators McManus, Goschka and Young

#### COMMITTEE ATTENDANCE REPORT

The Conference Committee on General Government (HB 5646) submitted the following:  
Meeting held on Thursday, June 27, 2002, at 9:45a.m., House Appropriations Room, 3rd Floor, Capitol Building  
Present: Senators Schwarz and Johnson  
Excused: Senator Young

Senator Emmons moved that the Senate adjourn.  
The motion prevailed, the time being 5:02 p.m.

Pursuant to House Concurrent Resolution No. 68 and the order previously made, the Assistant President pro tempore, Senator Hoffman, declared the Senate adjourned until Tuesday, August 13, at 12:00 noon.

CAROL MOREY VIVENTI  
Secretary of the Senate.