# No. 92 STATE OF MICHIGAN Journal of the Senate

# 92nd Legislature REGULAR SESSION OF 2003

Senate Chamber, Lansing, Thursday, October 30, 2003.

10:00 a.m.

The Senate was called to order by the President pro tempore, Senator Patricia L. Birkholz.

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

| Allen—excused         |
|-----------------------|
| Barcia—present        |
| Basham—present        |
| Bernero—present       |
| Birkholz—present      |
| Bishop—present        |
| Brater—present        |
| Brown—present         |
| Cassis—present        |
| Cherry—present        |
| Clark-Coleman—present |
| Clarke—present        |

Clarke—present
Cropsey—present

Emerson—present
Garcia—present
George—present
Gilbert—present
Goschka—present
Hammerstrom—present
Hardiman—present
Jacobs—present
Jelinek—present
Johnson—present
Kuipers—present
Leland—present
McManus—present

Olshove—present
Patterson—present
Prusi—present
Sanborn—present
Schauer—present
Scott—present
Sikkema—present
Stamas—present
Switalski—present
Thomas—present
Toy—present
Van Woerkom—present

Senator Tony Stamas of the 36th District offered the following invocation:

Dear Lord, we gather today in Your awesome presence. As we stand here, we are aware of Your mercy and grace. We ask that You grant us Your wisdom, Your vision, and Your grace as we work today.

And as we stand before You this day, we're thankful for Your lovingkindness. We wonder at Your power and rest in Your grace. Lord, we ask for Your help in the tasks that lie ahead of this body, that Your words, Your thoughts, and Your will would prevail on us as we do Your work.

We ask this all in the name of Your Son. Amen.

The President pro tempore, Senator Birkholz, led the members of the Senate in recital of the *Pledge of Allegiance*.

#### **Motions and Communications**

Senator Cherry entered the Senate Chamber.

Senator Hammerstrom moved that Senator Garcia be temporarily excused from today's session. The motion prevailed.

Senator Hammerstrom moved that Senator Allen be excused from today's session. The motion prevailed.

The following communications were received:

Office of the Senate Majority Leader

October 28, 2003

Pursuant to Public Act 148 of 2003, I am making the following appointments to the Groundwater Conservation Advisory Council:

Mr. Thomas Newhof, Prein & Newhof, 3355 Evergreen Drive NE, Grand Rapids, Michigan 49505, representing business and manufacturing interests.

Mr. John Allan, Consumers Energy Co., 1945 W. Parnall Road, Jackson, Michigan 49201, representing utilities.

Dr. Alan Steinman, Annis Water Research Institute, Lake Michigan Center, 740 W. Shoreline Drive, Muskegon, Michigan 49441, representing conservation organizations.

October 28, 2003

Pursuant to MCL 333.20915, I have appointed Senator Jud Gilbert as the Senate appointee to the Department of Consumer and Industry Services advisory committee, the State Emergency Medical Services Coordination Committee (EMSCC).

Respectfully yours, Ken Sikkema Senate Majority Leader

The communications were referred to the Secretary for record.

The Secretary announced that the following House bills were received in the Senate and filed on Wednesday, October 29: **House Bill Nos.** 4292 4458 4899 5120 5130 5131 5132 5168

The Secretary announced the enrollment printing and presentation to the Governor on Wednesday, October 29, for her approval the following bill:

Enrolled Senate Bill No. 725 at 3:50 p.m.

The Secretary announced that the following bills and joint resolution were available at the legislative Web site on Wednesday, October 29:

Senate Bill Nos. 799 800 801 802

House Bill Nos. 5206 5207 5208 5209 5210 5211

House Joint Resolution P

#### Recess

Senator Hammerstrom moved that the Senate recess subject to the call of the Chair. The motion prevailed, the time being 10:04 a.m.

10:09 a.m.

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

By unanimous consent the Senate proceeded to the order of

# **Messages from the House**

Senator Hammerstrom moved that consideration of the following bills be postponed for today:

Senate Bill No. 493

Senate Bill No. 494

Senate Bill No. 495

Senate Bill No. 496

The motion prevailed.

#### Senate Bill No. 252, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 3111 and 3113 (MCL 324.3111 and 324.3113) and by adding sections 3120 and 3121.

The House of Representatives has appointed Reps. Koetje, Howell and Tobocman as conferees to join with Sens. McManus, Birkholz and Brater.

The bill was referred to the Conference Committee on October 29, 2003.

#### Senate Bill No. 560, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 3101 (MCL 324.3101), as amended by 2001 PA 114, and by adding sections 3122, 3123, and 3124.

The House of Representatives has appointed Reps. Koetje, Howell and Tobocman as conferees to join with Sens. McManus, Birkholz and Brater.

The bill was referred to the Conference Committee on October 29, 2003.

# Third Reading of Bills

Senator Garcia entered the Senate Chamber.

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

Senate Bill No. 275

House Bill No. 4872

House Bill No. 4714

House Bill No. 4907

Senate Bill No. 612

The motion prevailed.

The following bill was read a third time:

### Senate Bill No. 275, entitled

A bill to amend 1996 PA 376, entitled "Michigan renaissance zone act," by amending section 6 (MCL 125.2686), as amended by 2002 PA 478.

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. 517

## Yeas—37

Barcia Clarke Jacobs Sanborn Basham Cropsey Jelinek Schauer Bernero Emerson Johnson Scott Birkholz Garcia Kuipers Sikkema Bishop George Leland Stamas Gilbert McManus Brater Switalski Brown Goschka Olshove Thomas Cassis Hammerstrom Patterson Toy Van Woerkom Cherry Hardiman Prusi

Clark-Coleman

Nays—0

Excused—1

Allen

Not Voting—0

In The Chair: Birkholz

The Senate agreed to the title of the bill.

The following bill was read a third time:

# House Bill No. 4872, entitled

A bill to amend 1992 PA 147, entitled "Neighborhood enterprise zone act," by amending section 4 (MCL 207.774), as amended by 2002 PA 608.

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. 518

## Yeas—37

Barcia Clarke Jacobs Sanborn Basham Cropsey Jelinek Schauer Bernero Emerson Scott Johnson Birkholz Garcia Kuipers Sikkema Leland Bishop George Stamas Gilbert Switalski Brater McManus Brown Goschka Olshove Thomas Cassis Hammerstrom Patterson Toy Van Woerkom Hardiman Cherry Prusi

Clark-Coleman

#### Excused—1

Allen

#### Not Voting—0

In The Chair: Birkholz

The question being on concurring in the committee recommendation to give the bill immediate effect,

The recommendation was concurred in, 2/3 of the members serving voting therefor.

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

"An act to provide for the development and rehabilitation of residential housing; to provide for the creation of neighborhood enterprise zones; to provide for obtaining neighborhood enterprise zone certificates for a period of time and to prescribe the contents of the certificates; to provide for the exemption of certain taxes; to provide for the levy and collection of a specific tax on the owner of certain facilities; and to prescribe the powers and duties of certain officers of the state and local governmental units,".

The Senate agreed to the full title.

The following bill was read a third time:

#### House Bill No. 4714, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," by amending section 1525 (MCL 380.1525), as amended by 1995 PA 289.

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. 519

| Vooc     | 27           |
|----------|--------------|
| Y A S C. | <b>— 1</b> / |

| Barcia        | Clarke      | Jacobs    | Sanborn     |
|---------------|-------------|-----------|-------------|
| Basham        | Cropsey     | Jelinek   | Schauer     |
| Bernero       | Emerson     | Johnson   | Scott       |
| Birkholz      | Garcia      | Kuipers   | Sikkema     |
| Bishop        | George      | Leland    | Stamas      |
| Brater        | Gilbert     | McManus   | Switalski   |
| Brown         | Goschka     | Olshove   | Thomas      |
| Cassis        | Hammerstrom | Patterson | Toy         |
| Cherry        | Hardiman    | Prusi     | Van Woerkom |
| Clark-Coleman |             |           |             |

Nays—0

Excused—1

Allen

Not Voting—0

In The Chair: Birkholz

The question being on concurring in the committee recommendation to give the bill immediate effect,

The recommendation was concurred in, 2/3 of the members serving voting therefor.

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

"An act to provide a system of public instruction and elementary and secondary schools; to revise, consolidate, and clarify the laws relating to elementary and secondary education; to provide for the organization, regulation, and maintenance of schools, school districts, public school academies, intermediate school districts, and other public school entities; to prescribe rights, powers, duties, and privileges of schools, school districts, public school academies, intermediate school districts, and other public school entities; to provide for the regulation of school teachers and certain other school employees; to provide for school elections and to prescribe powers and duties with respect thereto; to provide for the levy and collection of taxes; to provide for the borrowing of money and issuance of bonds and other evidences of indebtedness; to establish a fund and provide for expenditures from that fund; to provide for and prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to provide for licensure of boarding schools; to prescribe penalties; and to repeal acts and parts of acts,".

The Senate agreed to the full title.

The following bill was read a third time:

# House Bill No. 4907, entitled

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," by amending section 602 (MCL 500.602), as amended by 1989 PA 35, and by adding section 603.

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. 520

#### Yeas—37

| Barcia   | Clarke      | Jacobs    | Sanborn     |
|----------|-------------|-----------|-------------|
| Basham   | Cropsey     | Jelinek   | Schauer     |
| Bernero  | Emerson     | Johnson   | Scott       |
| Birkholz | Garcia      | Kuipers   | Sikkema     |
| Bishop   | George      | Leland    | Stamas      |
| Brater   | Gilbert     | McManus   | Switalski   |
| Brown    | Goschka     | Olshove   | Thomas      |
| Cassis   | Hammerstrom | Patterson | Toy         |
| Cherry   | Hardiman    | Prusi     | Van Woerkom |
| C1 1 C 1 |             |           |             |

Clark-Coleman

Nays—0

Excused—1

Allen

Not Voting—0

In The Chair: Birkholz

The question being on concurring in the committee recommendation to give the bill immediate effect,

The recommendation was concurred in, 2/3 of the members serving voting therefor.

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

"An act to revise, 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

Sanborn

Schauer

Stamas

Switalski

Van Woerkom

Thomas

Toy

Scott

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,".

The Senate agreed to the full title.

The following bill was read a third time:

#### Senate Bill No. 612, entitled

A bill to amend 1939 PA 3, entitled "An act to provide for the regulation and control of public utilities and other services affected with a public interest within this state; to provide for alternative energy suppliers; to provide for licensing; to include municipally owned utilities and other providers of energy under certain provisions of this act; to create a public service commission and to prescribe and define its powers and duties; to abolish the Michigan public utilities commission and to confer the powers and duties vested by law on the public service commission; to provide for the continuance, transfer, and completion of certain matters and proceedings; to abolish automatic adjustment clauses; to prohibit certain rate increases without notice and hearing; to qualify residential energy conservation programs permitted under state law for certain federal exemption; to create a fund; to provide for a restructuring of the manner in which energy is provided in this state; to encourage the utilization of resource recovery facilities; to prohibit certain acts and practices of providers of energy; to allow for the securitization of stranded costs; to reduce rates; to provide for appeals; to provide appropriations; to declare the effect and purpose of this act; to prescribe remedies and penalties; and to repeal acts and parts of acts," by amending section 10a (MCL 460.10a), as added by 2000 PA 141.

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. 521 Yeas—33

Barcia Clark-Coleman Hardiman Jacobs Basham Clarke Bernero Cropsey Jelinek Birkholz Emerson Johnson **Bishop** Garcia Leland Brater George McManus Brown Goschka Olshove Cassis Hammerstrom Prusi Cherry

Nays—4

Gilbert Kuipers Patterson Sikkema

Excused—1

Allen

Not Voting—0

In The Chair: Birkholz

The Senate agreed to the title of the bill.

By unanimous consent the Senate proceeded to the order of

**General Orders** 

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

The motion prevailed, and the President pro tempore, Senator Birkholz, designated Senator Kuipers as Chairperson. After some time spent therein, the Committee arose; and, the President pro tempore, Senator Birkholz, having resumed the Chair, the Committee reported back to the Senate, favorably and without amendment, the following bill:

# Senate Bill No. 712, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 248e (MCL 257.248e), as added by 1993 PA 300.

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

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: **Senate Bill No. 771, entitled** 

A bill to amend 1990 PA 72, entitled "Local government fiscal responsibility act," by amending section 21 (MCL 141.1221), as amended by 2002 PA 408.

Substitute (S-1).

The following are the amendments to the substitute recommended by the Committee of the Whole:

- 1. Amend page 1, line 1, after "Sec. 21." by inserting "(1)".
- 2. Amend page 4, following line 27, by inserting:
- "(2) If a financial emergency exists under the local government fiscal responsibility act, 1990 PA 72, MCL 141.1201 to 141.1291, the emergency financial manager shall make a determination as to whether possible criminal conduct contributed to the financial emergency. If the manager determines that there is reason to believe that criminal conduct has occurred, the manager shall refer the matter to the attorney general and the local prosecuting attorney for investigation. The determination required under this subsection shall be made by 1 of the following dates, whichever is later:
  - (a) Within 90 days after the effective date of the amendatory act that added this subsection.
  - (b) Within 180 days after the date the emergency financial manager is appointed.".

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.

By unanimous consent the Senate returned to the order of

# Third Reading of Bills

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

# Senate Bill No. 771

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

The following bill was read a third time:

# Senate Bill No. 771, entitled

A bill to amend 1990 PA 72, entitled "Local government fiscal responsibility act," by amending section 21 (MCL 141.1221), as amended by 2002 PA 408.

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. 522 Yeas—37

| Barcia        | Clarke      | Jacobs    | Sanborn     |
|---------------|-------------|-----------|-------------|
| Basham        | Cropsey     | Jelinek   | Schauer     |
| Bernero       | Emerson     | Johnson   | Scott       |
| Birkholz      | Garcia      | Kuipers   | Sikkema     |
| Bishop        | George      | Leland    | Stamas      |
| Brater        | Gilbert     | McManus   | Switalski   |
| Brown         | Goschka     | Olshove   | Thomas      |
| Cassis        | Hammerstrom | Patterson | Toy         |
| Cherry        | Hardiman    | Prusi     | Van Woerkom |
| Clark-Coleman |             |           |             |

Nays—0

Excused—1

Allen

Not Voting—0

In The Chair: Birkholz

The Senate agreed to the title of the bill. Senator George moved that he be named co-sponsor of the bill. The motion prevailed.

## Resolutions

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

Senate Resolution No. 141

The motion prevailed.

Senators Olshove, Basham, Prusi, Switalski, Kuipers, Cherry, Jacobs, Birkholz, Jelinek, Barcia, Scott, Schauer, Gilbert, Van Woerkom, Goschka and Hardiman offered the following resolution:

#### Senate Resolution No. 187.

A resolution to memorialize the Congress of the United States to enact legislation to grant a federal charter to the Korean War Veterans Association.

Whereas, As our country has marked the fiftieth anniversary of the ending of hostilities in Korea, historians, policymakers, and veterans of that difficult conflict have reflected on the impact of the war on our country and the world. Revisiting the events surrounding the Korean War has brought public attention to many aspects of what some call "the forgotten war"; and

Whereas, Unlike other veterans groups, the Korean War Veterans Association does not have a federal charter. Without this charter, this respected organization—the only veterans groups comprised entirely of veterans of the Korean War—cannot provide the same level of services other groups can. This deficiency makes it more difficult for members and families to receive appropriate services; and

Whereas, Legislation to extend a federal charter to the Korean War Veterans Association is pending in both the House of Representatives (H.R. 1043) and the Senate (S. 478) of the Congress. Enactment of this measure will enable the Korean War Veterans Association to provide a wider range of services, especially the processing of claims. Clearly, this long-overdue status will assist our heroes of the Korean War and express the nation's respect for their sacrifices and honor; now, therefore, be it

Resolved by the Senate, That we memorialize the Congress of the United States to enact legislation to grant a federal charter to the Korean War Veterans Association; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

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

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

The question being on the adoption of the resolution,

Senator Hammerstrom moved that the resolution be referred to the Committee on Senior Citizens and Veterans Affairs.

The motion prevailed.

Senators Clark-Coleman, Garcia, Thomas and Toy were named co-sponsors of the resolution.

Senators Gilbert, Kuipers, Toy, Birkholz, Goschka, Bishop, Sikkema, Hammerstrom, Cropsey, George, Cassis, Patterson, Brown, Van Woerkom, Sanborn, Jelinek, McManus, Stamas and Johnson offered the following resolution:

#### Senate Resolution No. 188.

A resolution to memorialize the Congress of the United States to expand its efforts through the World Trade Organization and the World Intellectual Property Organization to ensure that the intellectual property of domestic businesses and individuals is protected.

Whereas, Since the birth of our nation, the United States has amassed a remarkable record of creativity and discovery. Our history is replete with the development of new goods and production methods to advance the quality of life, and we have developed a strong economy based on these discoveries; and

Whereas, Members of the manufacturing industry have cited a number of examples where companies in other nations have been infringing upon intellectual property rights. This has resulted in financial losses and further exacerbated the challenges faced by our manufacturers; and

Whereas, The World Trade Organization and the World Intellectual Property Organization implemented a set of standards and principles outlining how international intellectual property rights should be applied and how to settle disputes between members of the World Trade Organization and the World Intellectual Property Organization; and

Whereas, The United States can defend the intellectual property rights of domestic business through the procedures established by the World Trade Organization and the World Intellectual Property Organization; and

Whereas, To ensure a vibrant economic recovery in Michigan, our businesses and entrepreneurs must be secure in their intellectual property, for it is through these innovations that companies build their economic strength and maintain their competitiveness; now, therefore, be it

Resolved by the Senate, That we memorialize the Congress of the United States to expand its efforts through the World Trade Organization and the World Intellectual Property Organization to ensure that the intellectual property of domestic businesses and individuals is protected and that actions are taken against those countries that violate the World Trade Organization and World Intellectual Property Organization standards; and be it further

Resolved, That a copy of this resolution be transmitted to the President of the United States of America, the President of the United States Senate, the Speaker of the United States House of Representatives, the United States Secretary of Commerce, and the members of the Michigan congressional delegation.

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

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

The question being on the adoption of the resolution,

Senator Hammerstrom moved that the resolution be referred to the Committee on Commerce and Labor.

The motion prevailed.

Senators Garcia and Thomas were named co-sponsors of the resolution.

Senators Hardiman, Kuipers, Toy, Birkholz, Goschka, Bishop, Sikkema, Hammerstrom, Cropsey, George, Gilbert, Cassis, Patterson, Brown, Van Woerkom, Sanborn, Jelinek, McManus and Johnson offered the following resolution:

## Senate Resolution No. 189.

A resolution to memorialize the Congress of the United States to take necessary actions, through the International Monetary Fund or otherwise, to ensure that foreign nations that trade with the United States do so fairly and do not manipulate their currency.

Whereas, Through international agreements and in the spirit of fair and balanced trade, the United States dollar is allowed to float freely, with little to no market intervention; and

Whereas, Many of the trade partners with the United States, including, but not limited to, the European Union, Canada, and Mexico, operate with a floating exchange rate within the international financial system; and

Whereas, There are nations that are able to sell goods at rates lower than the cost of production in the United States, in part, through a manipulation of their nation's currency. This contributes significantly to creating an unfair trade balance; and

Whereas, Foreign countries that manipulate their currency are able to sell goods in the United States at an artificial price, lower than the cost of domestically produced products. Doing so undercuts American manufactured products, and it may soon eliminate domestic manufacturing; and

Whereas, The loss of the domestic manufacturing industry poses a substantial threat to the nation's security by requiring the United States to depend on other nations to produce critical components for our defense programs.

Whereas, Currency manipulation has contributed to substantial trade deficits with certain nations. The increase in the trade deficit with China alone, one of the countries known for currency manipulation, represents about 15 percent of the decline in United States production since 2000; and

Whereas, Article IV of the International Monetary Fund Articles of Agreement states that members shall "avoid manipulating exchange rates or the international monetary system in order to prevent effective balance of payments adjustment or to gain an unfair competitive advantage over other members." Under IMF surveillance procedures, a principal indicator of such manipulation is "protracted large scale intervention in one direction in the exchange market"; now, therefore, be it

Resolved by the Senate, That we memorialize the Congress of the United States to take the necessary actions, through the International Monetary Fund or otherwise, to ensure that foreign nations that trade with the United States do so fairly and do not manipulate their currency; and be it further

Resolved, That a copy of this resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, the United States Secretary of Commerce, and the members of the Michigan congressional delegation.

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

Senator Hammerstrom moved that the rule be suspended.

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

The question being on the adoption of the resolution,

Senator Hammerstrom moved that the resolution be referred to the Committee on Commerce and Labor.

The motion prevailed.

Senators Garcia, Olshove and Thomas were named co-sponsors of the resolution.

Senators Van Woerkom, Kuipers, Patterson, Toy, Birkholz, Goschka, Bishop, Sikkema, Hammerstrom, Cropsey, George, Gilbert, Cassis, Brown, Sanborn, Jelinek, McManus, Hardiman, Stamas and Johnson offered the following resolution:

### Senate Resolution No. 190.

A resolution to memorialize the Congress of the United States to develop economic incentives and other programs to aid in the recovery and stabilization of the manufacturing industry in the United States.

Whereas, Historically, manufacturing has been a base industry for the national economy, steadily comprising approximately 17 percent of the Gross Domestic Product since 1947; and

Whereas, The manufacturing industry has experienced a rapid decline and economic losses over the last three years. After a peak in July 2000 of 17.3 million people employed by the manufacturing sector, employment declined by more than 2.7 million jobs over the next 38 consecutive months; and

Whereas, Lowered demand due to troubled economic conditions, coupled with unfair foreign competition, has greatly hindered the economic prosperity of the manufacturing industry. There is substantial concern over the continuation of manufacturing in the United States if the unfair trade practices of other nations on our domestic market are not addressed; and

Whereas, The restoration and revival of the manufacturing sector are vital to the economic recovery of the United States, as manufacturing has consistently led the economic recovery from previous down-turns; and

Whereas, Maintaining a strong and vibrant manufacturing industry is crucial to sustaining or enhancing our national security. Recent bankruptcies and other losses in the manufacturing industry could put the United States in the unprecedented position where it must purchase defense technology from other countries, as foreign companies currently produce such items as a key guidance chip for smart bombs. Most recently, a foreign company purchased a bankrupt domestic manufacturer that retained the rights to the stealth fighter technology; and

Whereas, Developing a package of economic incentives to help foster additional growth in the manufacturing industry and assist in keeping domestic manufacturers competitive with their foreign counterparts will greatly benefit not only the manufacturing industry, but will also provide great economic benefits to Michigan and the entire country; now, be it therefore

Resolved by the Senate, That we memorialize the Congress of the United States to develop economic incentives and other programs to aid in the recovery and stabilization of the manufacturing industry in the United States; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, the United States Secretary of Commerce, and the members of the Michigan congressional delegation.

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

Senator Hammerstrom moved that the rule be suspended.

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

The question being on the adoption of the resolution,

Senator Hammerstrom moved that the resolution be referred to the Committee on Commerce and Labor.

The motion prevailed.

Senators Garcia, Olshove and Thomas were named co-sponsors of the resolution.

By unanimous consent the Senate proceeded to the order of

#### **Statements**

Senators George and Brown asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator George's statement is as follows:

I rise to change the subject to point out an important anniversary that passed yesterday in Michigan history. You know, we might think to ourselves, if there was a single person in Michigan's history who you would study to learn about this state, who would that be? Who would you choose? Well, I would choose Lewis Cass.

Yesterday was the 190th anniversary of his appointment as territorial governor of Michigan. This, at the time, probably wasn't thought to be such a pivotal thing, but it turned out it would affect Michigan. Lewis Cass has left an indelible footprint on our state, which we can still see today.

He served 18 years as territorial governor. One of the first challenges that he had was fixing Michigan's image. Federal surveys in the early 1800s had labeled Michigan not the "rust belt," but the "swamp belt," filled with swamps and mosquitoes and inhospitable for settlement. Cass set about to refute that image. He went on a 4,000-mile canoe trip with his friend Henry Schoolcraft. He wrote reports back to Eastern newspapers to correct Michigan's image, to try and draw in settlers. He made peace with Native Americans. He settled over a dozen treaties with Indian Nations to make the territory safe for settlement.

Most importantly, perhaps for us today, it was Cass who believed that local government was the key to democracy. It was Lewis Cass who established Michigan's county and township system. For better or for worse, the local governments that we have today, that we deal with, many of them were formed under Lewis Cass' tenure. He believed that the power resided in local units of government. He promoted local elections. He eschewed making appointments. He wouldn't appoint sheriffs, drain commissioners, or surveyors, but would allow them to be elected by local governments. We still have remnants of that system with us today.

So Lewis Cass, who's in the portrait next to me, is probably the single, most important individual in Michigan history. It was 190 years ago yesterday that he began his tenure as Michigan's territorial governor.

Now, he left the state in the 1830s to become the Secretary of War under Andrew Jackson. He would serve as Secretary of State and as Minister to France, Michigan's U.S. Senator, and in 1848, he was the Democratic presidential candidate. Of course, he lost to Zachary Taylor, but it was during that campaign that Cass promoted an idea which had developed in Michigan, which would have national consequences.

Stemming directly from his belief in local government and local decision-making, he originated the idea of popular sovereignty. That is the idea that states or new territories should decide for themselves whether they would be slave or free. It was a natural extension of his earlier work in Michigan. Of course, later, Stephen Douglas would adhere to this idea of popular sovereignty. It would be embodied in the Kansas-Nebraska Act. That act would lead to the coalition of anti-slavery forces that would come together to form the Republican Party. It would be one of the factors then giving rise to the Civil War.

Not only did Lewis Cass leave an indelible footprint in our state and create the local governments that we work with today, but he also played a role in setting about the national events of the day that led to the formation of the Republican Party and the ensuing Civil War. So I rise to point out this important anniversary of this important figure in Michigan history. Lewis Cass, 190 years ago yesterday, was made our territorial governor.

# Senator Brown's statement is as follows:

As a caveat to our good Senate historian, it was Mr. Cass who actually designed our state seal. So when we repeat those wonderful words: "If you seek a beautiful peninsula, look around you," it's Mr. Cass who we can credit with at least launching that wonderful statement.

By unanimous consent the Senate returned to the order of

## **Introduction and Referral of Bills**

Senators Olshove, Birkholz, Goschka, Kuipers, Bishop, Sikkema, Hammerstrom, Cropsey, George, Gilbert, Patterson, Brown, Van Woerkom, Cassis, Sanborn, Jelinek, McManus, Hardiman, Stamas, Johnson and Garcia introduced

#### Senate Bill No. 808, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," (MCL 380.1 to 380.1852) by adding section 1140. The bill was read a first and second time by title and referred to the Committee on Education.

Senators Kuipers, Birkholz, Goschka, Bishop, Sikkema, Hammerstrom, Cropsey, George, Gilbert, Cassis, Patterson, Brown, Van Woerkom, Sanborn, Jelinek, McManus, Hardiman, Johnson and Garcia introduced

## Senate Bill No. 809, entitled

A bill to amend 2002 PA 49, entitled "Michigan broadband development authority act," by amending section 7 (MCL 484.3207).

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

Senators Sanborn, Birkholz, Goschka, Kuipers, Bishop, Sikkema, Hammerstrom, Cropsey, George, Gilbert, Patterson, Brown, Van Woerkom, Jelinek, McManus, Hardiman, Johnson and Garcia introduced

## Senate Bill No. 810, entitled

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending section 10e (MCL 211.10e), as added by 1986 PA 223.

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

Senators Cassis, Kuipers, Birkholz, Goschka, Bishop, Sikkema, Hammerstrom, Cropsey, George, Gilbert, Patterson, Brown, Van Woerkom, Sanborn, Jelinek, McManus, Hardiman, Stamas, Johnson and Garcia introduced

# Senate Bill No. 811, entitled

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending section 9b and 27 (MCL 211.9b and 211.27), section 9b as amended by 1994 PA 189 and section 27 as amended by 2002 PA 744.

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

Senators Stamas, Birkholz, Goschka, Kuipers, Bishop, Sikkema, Hammerstrom, Cropsey, George, Gilbert, Patterson, Brown, Van Woerkom, Sanborn, Jelinek, McManus, Hardiman, Johnson and Garcia introduced

# Senate Bill No. 812, entitled

A bill to amend 1975 PA 228, entitled "Single business tax act," (MCL 208.1 to 208.145) by adding section 37e. The bill was read a first and second time by title and referred to the Committee on Commerce and Labor.

Senators McManus, Birkholz, Goschka, Kuipers, Bishop, Sikkema, Hammerstrom, Cropsey, George, Gilbert, Patterson, Brown, Van Woerkom, Sanborn, Jelinek, Hardiman, Johnson and Garcia introduced

## Senate Bill No. 813, entitled

A bill to amend 1937 PA 94, entitled "Use tax act," by amending section 2 (MCL 205.92), as amended by 2002 PA 669. The bill was read a first and second time by title and referred to the Committee on Commerce and Labor.

Senators Toy, Kuipers, Birkholz, Goschka, Bishop, Sikkema, Hammerstrom, Cropsey, George, Gilbert, Patterson, Brown, Van Woerkom, Sanborn, Jelinek, McManus, Hardiman, Stamas, Johnson and Garcia introduced

# Senate Bill No. 814, entitled

A bill to amend 1975 PA 228, entitled "Single business tax act," by amending section 38e (MCL 208.38e), as amended by 1999 PA 184.

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

Senators Scott, Clark-Coleman, Thomas, Olshove, Cherry, Brater, Basham, Clarke, Barcia, Leland, Schauer and Prusi introduced

# Senate Bill No. 815, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," by amending section 5 (MCL 380.5), as amended by 2003 PA 179; and to repeal acts and parts of acts.

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

Senators Brown and Goschka introduced

# Senate Bill No. 816, entitled

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending sections 7cc, 7ee, and 24c (MCL 211.7cc, 211.7ee, and 211.24c), sections 7cc and 24c as amended by 2003 PA 140 and section 7ee as amended by 2003 PA 105. The bill was read a first and second time by title and referred to the Committee on Finance.

Senators Toy, Birkholz, Cropsey, Leland, Gilbert, Jelinek, Kuipers, Goschka, Prusi and Scott introduced Senate Bill No. 817, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 307 (MCL 257.307), as amended by 2002 PA 534, and by adding section 217o.

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

Senators Brater, Goschka, Basham, Cherry, Birkholz, Scott, Johnson, Jelinek, Olshove and Switalski introduced Senate Bill No. 818, entitled

A bill to establish the social security number disclosure act in the state of Michigan; to prescribe penalties and civil sanctions; and to provide remedies.

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

## House Bill No. 4292, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending section 30 (MCL 206.30), as amended by 2002 PA 615.

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. 4458, entitled

A bill to amend 1998 PA 58, entitled "Michigan liquor control code of 1998," by amending section 229 (MCL 436.1229).

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, Small Business and Regulatory Reform.

#### House Bill No. 4899, entitled

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending sections 2555 and 2559 (MCL 600.2555 and 600.2559), section 2559 as amended by 1994 PA 133.

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. 5120, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending sections 1d, 65, 310d, 319b, 321a, 625, 625b, 727, and 732 (MCL 257.1d, 257.65, 257.310d, 257.319b, 257.321a, 257.625, 257.625b, 257.727, and 257.732), section 1d as added and sections 310d and 625 as amended by 2003 PA 61, section 65 as amended by 1994 PA 449, sections 319b and 732 as amended by 2002 PA 534, section 321a as amended by 2002 PA 741, section 625b as amended by 1998 PA 357, and section 727 as amended by 1998 PA 348.

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. 5130, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 81101, 81134, 81135, 81136, 81137, 81140, 81141, and 81144 (MCL 324.81101, 324.81134, 324.81135, 324.81136, 324.81137, 324.81140, 324.81141, and 324.81144), section 81101 as amended by 2003 PA 111, section 81134 as amended by 2001 PA 12, section 81135 as amended by 1999 PA 22, sections 81136 and 81141 as amended by 1996 PA 175, and sections 81137, 81140, and 81144 as added by 1995 PA 58, and by adding section 81140b.

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. 5131, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 80101, 80171, 80176, 80180, 80183, 80184, 80187, and 80190 (MCL 324.80101, 324.80171, 324.80176, 324.80180, 324.80183, 324.80184, 324.80187, and 324.80190), sections 80101, 80171, and 80190 as added by 1995 PA 58, section 80176 as amended by 2001 PA 12, and sections 80180, 80183, 80184, and 80187 as amended by 1996 PA 174.

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. 5132, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 82101, 82127, 82136, 82139, 82140, and 82143 (MCL 324.82101, 324.82127, 324.82136, 324.82139, 324.82140, and 324.82143), section 82101 as amended by 2003 PA 43, section 82127 as amended by 2001 PA 12, section 82136 as added by 1995 PA 58, and sections 82139, 82140, and 82143 as amended by 1996 PA 183.

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. 5168, entitled

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending sections 7cc, 7ee, and 24c (MCL 211.7cc, 211.7ee, and 211.24c), sections 7cc and 24c as amended by 2003 PA 140 and section 7ee as amended by 2003 PA 105. 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.

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

# **Committee Reports**

The Committee on Transportation reported

#### Senate Bill No. 785, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending sections 217d, 801, 811d, 811e, 811f, 811g, 811h, 811i, 811i, 811k, 811l, and 811n (MCL 257.217d, 257.801, 257.811d, 257.811e, 257.811f, 257.811g, 257.811h, 257.811i, 257.811j, 257.811k, 257.811l, and 257.811n), sections 217d, 801, and 811h as amended by 2003 PA 152, sections 811d, 811f, and 811g as added by 2000 PA 77, section 811e as amended by 2001 PA 124, section 811i as added by 2000 PA 74, section 811 as added by 2000 PA 71, section 811k as added by 2000 PA 73, section 811l as added by 2000 PA 70, and section 811n as added by 2000 PA 79, and by adding sections 811m, 811o, and 811p; and to repeal acts and parts of acts.

With the recommendation that the following amendments be adopted and that the bill then pass:

- 1. Amend page 21, line 17, after "(1)" by striking out the balance of the line through "the" on line 18 and inserting "The".
- 2. Amend page 22, line 8, after "fee" by striking out "paid under subsection (1)" and inserting "of \$15,000.00 shall be paid for any new fund-raising plate authorized under subsection (1)(j) and".
- 3. Amend page 22, line 11, after "the" by striking out "payment described in subsection (1) is not made" and inserting "start-up fee is not paid".
  - 4. Amend page 28, line 16, after "section" by striking out "811e(3)" and inserting "811e".
- 5. Amend page 28, line 20, after "plate" by inserting "authorized under 811e(1)(j)".
  6. Amend page 33, line 26, after "The" by striking out the balance of the line through "libraries" on line 27 and inserting "state treasurer".
- 7. Amend page 34, line 2, after the first "the" by striking out "secretary of state" and inserting "department of history, arts, and libraries".

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

Judson Gilbert II Chairperson

#### To Report Out:

Yeas: Senators Gilbert, Kuipers and Goschka

Nays: Senators Leland and Basham

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

The Committee on Transportation reported

## House Bill No. 4753, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 57b (MCL 257.57b).

With the recommendation that the substitute (S-1) be adopted and that the bill then pass.

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

Judson Gilbert II Chairperson

## To Report Out:

Yeas: Senators Gilbert, Kuipers and Basham

Navs: None

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

# COMMITTEE ATTENDANCE REPORT

The Committee on Transportation submitted the following:

Meeting held on Tuesday, October 28, 2003, at 1:06 p.m., Room 110, Farnum Building

Present: Senators Gilbert (C), Kuipers, Goschka, Leland and Basham

The Committee on Natural Resources and Environmental Affairs reported

#### Senate Bill No. 744, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 2505 (MCL 324.2505), as added by 1995 PA 60, and by adding section 2505a.

With the recommendation that the substitute (S-1) be adopted and that the bill then pass.

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

Patricia L. Birkholz Chairperson

# To Report Out:

Yeas: Senators Birkholz, Van Woerkom, Brater and Basham

Nays: None

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

# The Committee on Natural Resources and Environmental Affairs reported

#### House Bill No. 4284, entitled

A bill to provide for joint land use planning and the joint exercise of certain zoning powers and duties by local units of government; and to provide for the establishment, powers, and duties of joint planning commissions.

With the recommendation that the bill pass.

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

Patricia L. Birkholz Chairperson

# To Report Out:

Yeas: Senators Birkholz, Van Woerkom, Brater and Basham

Nays: None

The bill was referred to the Committee of the Whole.

#### COMMITTEE ATTENDANCE REPORT

The Committee on Natural Resources and Environmental Affairs submitted the following:

Meeting held on Tuesday, October 28, 2003, at 3:00 p.m., Room 110, Farnum Building

Present: Senators Birkholz (C), Van Woerkom, Brater and Basham

Excused: Senator Patterson

The Committee on Judiciary reported

# Senate Bill No. 637, entitled

A bill to amend 1998 PA 58, entitled "Michigan liquor control code of 1998," by amending section 703 (MCL 436.1703), as amended by 1999 PA 53.

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

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

Alan L. Cropsey Chairperson

# To Report Out:

Yeas: Senators Cropsey, Bishop, Sanborn and Schauer

Navs: None

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

#### COMMITTEE ATTENDANCE REPORT

The Committee on Judiciary submitted the following:

Meeting held on Tuesday, October 28, 2003, at 1:00 p.m., Room 210, Farnum Building

Present: Senators Cropsey (C), Bishop, Sanborn, Schauer, Bernero and Brater

Absent: Senator Patterson

#### **Scheduled Meetings**

# **Appropriations -**

#### Subcommittee -

**Natural Resources Department -** Thursday, November 6, 12:00 noon, Senate Appropriations Room, 3rd Floor, Capitol Building (373-1725)

Commerce and Labor - Tuesday, November 4, 3:00 p.m., Room 210, Farnum Building (373-2413)

Families and Human Services - Tuesday, November 4, 3:00 p.m., Room 210, Farnum Building (373-1801)

Judiciary - Tuesday, November 4, 1:00 p.m., Room 210, Farnum Building (373-3760)

Natural Resources and Environmental Affairs - Tuesday, November 4, 3:00 p.m., Room 110, Farnum Building (373-3447)

Technology and Energy - Wednesday, November 5, 3:00 p.m., Room 210, Farnum Building (373-7350)

Transportation - Tuesday, November 4, 1:00 p.m., Room 110, Farnum Building (373-7708)

Senator Hammerstrom moved that the Senate adjourn. The motion prevailed, the time being 10:57 a.m.

The Assistant President pro tempore, Senator Sanborn, declared the Senate adjourned until Tuesday, November 4, 2003, at 10:00 a.m.

CAROL MOREY VIVENTI Secretary of the Senate