# No. 6 STATE OF MICHIGAN

# JOURNAL OF THE

# House of Representatives

# 93rd Legislature REGULAR SESSION OF 2006

House Chamber, Lansing, Wednesday, January 25, 2006.

6:00 p.m.

The House was called to order by the Speaker.

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

Accavitti—present
Acciavatti—present
Adamini—present
Amos—present
Anderson—present
Angerer—present
Ball—present
Baxter—present
Bennett—present
Bieda—present
Booher—present
Brandenburg—present
Brown—present
Byrnes—present
Byrum—present
Casperson—present
Caswell—present
Caul—present
Cheeks—present
Clack—present
Clemente—present
Condino—present
Cushingberry—present
DeRoche—present
Dillon—present
Donigan—present
Drolet—present

Accavitti\_\_nresent

Elsenheimer—present Emmons—present Espinoza—present Farhat—present Farrah—present Gaffney—present Garfield—present Gillard—present Gleason—present Gonzales—present Gosselin—present Green—present Hansen—present Hildenbrand—present Hood—present Hoogendyk—present Hopgood—present Huizenga—present Hummel—present Hune—present Hunter—present Jones—present Kahn—present Kolb—present Kooiman—present LaJoy—present Law, David—present

Law, Kathleen—present Leland—present Lemmons, III—present Lemmons, Jr.—present Lipsey—present Marleau—present Mayes—present McConico—present McDowell—present Meisner—present Meyer—present Miller—present Moolenaar—present Moore—present Mortimer—present Murphy—present Newell—present Nitz—present Nofs-present Palmer—present Palsrok-present Pastor—present Pavlov—present Pearce—present Plakas—present

Polidori—present

Proos-present

Robertson—present Rocca—present Sak—present Schuitmaker—present Shaffer—present Sheen—present Sheltrown—present Smith, Alma—present Smith, Virgil—present Spade—present Stahl—present Stakoe—present Steil—present Stewart—present Taub—present Tobocman—present Vagnozzi—present Van Regenmorter—excused Vander Veen—present Walker—present Ward—present Waters—present Wenke—present Whitmer—present Williams—present Wojno—present Zelenko—present

Rep. Darwin L. Booher, from the 102nd District, offered the following invocation:

"Let us bow our heads and give thanks to our Lord.

Father God: we come before You today to invite You to come into our presence. I ask that You would give us wisdom and strength as we go about the work that You have placed before us. It is encouraging to know that as difficult as things may seem, You give us no more than we can handle.

I pray today for our men and women who are so bravely fighting to defend the freedoms that we hold so dear. Be with their families who are at home and give them peace and encouragement to know that everything is in Your hands.

I also pray for the year that lay ahead of us. We all are facing many challenges and difficulties and sometimes the road ahead seems too much to handle but if we take Your hand You will guide us through these trying times.

And in closing I would to invite everyone here to join me in the Lord's Prayer:

Our Father who art in heaven
Hallowed be Thy name
Thy Kingdom come
Thy will be done
On earth as it is in heaven
And give us this day our daily bread
And forgive us our trespasses
As we forgive those who trespass against us
And lead us not into temptation
But deliver us from evil
For Thine is the kingdom
And the power
And the glory
Forever and ever

Amen."

Rep. Palmer moved that Rep. Van Regenmorter be excused from today's session. The motion prevailed.

#### **Motions and Resolutions**

Rep. Ward moved that a special committee of four members be appointed to notify the Senate that the House was ready to meet the Senate in Joint Convention.

The motion prevailed.

The Speaker appointed as such committee Reps. Vander Veen, Walker, Virgil Smith and Lemmons, Jr.

Reps. Taub, Stakoe, Pastor, Schuitmaker, Stahl, Vander Veen, Pavlov, Rocca, Acciavatti, Ward, Tobocman, Garfield, Shaffer, Farhat, Amos, Marleau, LaJoy, Gaffney, Sheen, Kahn, Palsrok, Kooiman and Hildenbrand offered the following resolution:

#### House Resolution No. 188.

A resolution to memorialize the President and the Congress of the United States to oppose implementation of the proposed rules under the Western Hemisphere Travel Initiative requiring all citizens of any age of the United States, Canada, Mexico, and Bermuda to have a passport to enter or re-enter the United States.

Whereas, The Michigan-Canada crossing is the busiest border crossing in North America, including commerce, tourism, trade, workers, and students, averaging hundreds of millions of dollars in trade value per day in Michigan alone and hundreds of billions of dollars per year across the entire northern border. There are 10 land ports of entry between Canada and Michigan, and in 2004 over 21 million passenger vehicles crossed at just five of those ports. In 2004, there were 58,000 daily border crossings to and from Michigan and Canada; and

Whereas, The Western Hemisphere Travel Initiative is a proposal developed by the United States Department of Homeland Security and the United States Department of State, to require that all citizens of any age entering or re-entering the United States from Canada, Mexico, and Bermuda, have in their possession a passport as the only acceptable documentation required by law as of December 31, 2007; and

Whereas, This proposal would have a devastating economic impact on Michigan by slowing commerce and tourism. The costly (\$97 for each adult and \$82 for each child) and cumbersome process of obtaining a passport may discourage many families, entrepreneurs, and tourists from traveling across the border. Many residents in border regions would be discouraged from taking spontaneous trips across the border. It is projected that the total number of persons crossing the border would decline, subsequently causing financial difficulties for bridge and tunnel operators along the border who largely depend on toll revenue to undertake maintenance and improvement projects. It is estimated that the impact of this policy would be economically devastating to Michigan because Canada remains Michigan's primary export market, with \$175 billion worth of merchandise goods exchanged during 2004 alone; and

Whereas, This proposal would end an 80-year period of trust between the United States and Canada that allowed for seamless cross-border trade and travel and the opportunity for education and employment exchanges; and

Whereas, Protecting our borders is critical to ensuring homeland security, and alternative means of establishing a traveler's identity and nationality should be thoroughly examined by the Departments of Homeland Security and State. One such alternative that would be much cheaper and less cumbersome could involve an identification code on driver's licenses issued in Michigan; now, therefore, be it

Resolved by the House of Representatives, That we memorialize the President and the Congress of the United States to oppose implementation of the proposed rules under the Western Hemisphere Travel Initiative requiring all citizens of any age of the United States, Canada, Mexico, and Bermuda to have a passport to enter or re-enter 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, and the members of the Michigan congressional delegation.

The resolution was referred to the Committee on Transportation.

#### **Reports of Standing Committees**

The Committee on Family and Children Services, by Rep. Stahl, Chair, reported

#### House Bill No. 5258, entitled

A bill to amend 1981 PA 230, entitled "Michigan economic and social opportunity act of 1981," by repealing section 16 (MCL 400.1116).

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

The bill and substitute were referred to the order of Second Reading of Bills.

#### Favorable Roll Call

To Report Out:

Yeas: Reps. Stahl, Pearce, Vander Veen, Hoogendyk, Sheen, Clack, Spade and Polidori

Nays: None

#### COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Stahl, Chair, of the Committee on Family and Children Services, was received and read:

Meeting held on: Wednesday, January 25, 2006

Present: Reps. Stahl, Pearce, Vander Veen, Hoogendyk, Sheen, Clack, Spade and Polidori

Absent: Rep. Lemmons, Jr. Excused: Rep. Lemmons, Jr.

#### COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Nofs, Chair, of the Committee on Energy and Technology, was received and read:

Meeting held on: Wednesday, January 25, 2006

Present: Reps. Nofs, Proos, Emmons, Garfield, Huizenga, LaJoy, Palsrok, Stahl, Moore, Dillon, Murphy, Mayes and Hopgood

Absent: Reps. Drolet, Baxter, Schuitmaker, Accavitti, Hunter and Clemente Excused: Reps. Drolet, Baxter, Schuitmaker, Accavitti, Hunter and Clemente

#### COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Palsrok, Chair, of the Committee on Natural Resources, Great Lakes, Land Use, and Environment, was received and read:

Meeting held on: Wednesday, January 25, 2006

Present: Reps. Palsrok, Pavlov, Meyer, LaJoy, Elsenheimer, Moore, Pearce, Gillard, Miller, Byrnes, Kathleen Law,

Bennett and Donigan

Absent: Reps. Palmer and Ward Excused: Reps. Palmer and Ward

## Announcement by the Clerk of Printing and Enrollment

The Clerk announced the enrollment printing and presentation to the Governor on Wednesday, January 25, for her approval of the following bill:

Enrolled House Bill No. 5447 at 9:48 a.m.

The Clerk announced that the following bills had been printed and placed upon the files of the members on Wednesday, January 25:

House Bill Nos.	5570	5571	5572	5573	5574	5575	5576	5577	5578	5579	5580	5581	5582	5583
	5584	5585	5586	5587	5588	5589	5590	5591	5592	5593	5594	5595	5596	5597
	5598	5599	5600	5601	5602	5603	5604	5605	5606	5607	5608	5609	5610	
Senate Bill Nos.	970	971	972	973	974	975	976	977	978	979	980	981	982	983
	984	985	986	987	988	989	990	991	992	993	994	995	996	997
	998	999	1000	1001	1002	1003								

The Clerk announced that the following Senate bills had been received on Wednesday, January 25: Senate Bill Nos. 579 802 883 900 907 922 925 946 955

By unanimous consent the House returned to the order of

#### **Messages from the Senate**

#### House Bill No. 5361, entitled

A bill to amend 1941 PA 122, entitled "An act to establish the revenue collection duties of the department of treasury; to prescribe its powers and duties as the revenue collection agency of the state; to prescribe certain powers and duties of the state treasurer; to regulate the importation, stamping, and disposition of certain tobacco products; to provide for the transfer of powers and duties now vested in certain other state boards, commissions, departments and offices; to prescribe certain duties of and require certain reports from the department of treasury; to provide procedures for the payment, administration, audit, assessment, levy of interests or penalties on, and appeals of taxes and tax liability; to prescribe its powers and duties if an agreement to act as agent for a city to administer, collect, and enforce the city income tax act on behalf of a city is entered into with any city; to provide an appropriation; to abolish the state board of tax administration; to prescribe penalties and provide remedies; and to declare the effect of this act," by amending section 21 (MCL 205.21), as amended by 2002 PA 657.

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

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

# House Bill No. 5362, entitled

A bill to amend 1941 PA 122, entitled "An act to establish the revenue collection duties of the department of treasury; to prescribe its powers and duties as the revenue collection agency of the state; to prescribe certain powers and duties of the state treasurer; to regulate the importation, stamping, and disposition of certain tobacco products; to provide for the transfer of powers and duties now vested in certain other state boards, commissions, departments and offices; to prescribe certain duties of and require certain reports from the department of treasury; to provide procedures for the payment, administration, audit, assessment, levy of interests or penalties on, and appeals of taxes and tax liability; to prescribe its powers and duties if an agreement to act as agent for a city to administer, collect, and enforce the city income tax act on behalf of a city is entered into with any city; to provide an appropriation; to abolish the state board of tax administration; to prescribe penalties and provide remedies; and to declare the effect of this act," (MCL 205.1 to 205.31) by adding section 6a.

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

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

#### House Bill No. 5364, entitled

A bill to amend 1893 PA 206, entitled "An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes on property, and for the collection of taxes levied; making those taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale or forfeiture and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection with property delinquent for taxes; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal acts and parts of acts," by amending section 53b (MCL 211.53b), as amended by 2003 PA 105.

The Senate has concurred in the House substitute (H-6) to the Senate substitute (S-3).

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

#### House Bill No. 4733, entitled

A bill to amend 1975 PA 228, entitled "Single business tax act," (MCL 208.1 to 208.145) by adding section 35c. The Senate has substituted (S-2) the bill.

The Senate has passed the bill as substituted (S-2), ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

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

#### House Bill No. 4734, entitled

A bill to amend 1975 PA 228, entitled "Single business tax act," by amending section 38g (MCL 208.38g), as amended by 2003 PA 249.

The Senate has substituted (S-7) the bill.

The Senate has passed the bill as substituted (S-7), ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

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

#### House Concurrent Resolution No. 29.

A concurrent resolution providing for a joint convention of the House of Representatives and the Senate.

(For text of resolution, see House Journal No. 5, p. 63.)

The Senate has adopted the concurrent resolution and named Senators Birkholz, Bishop, Brater, Gilbert, Kuipers, Switalski and Toy as co-sponsors.

The concurrent resolution was referred to the Clerk for record.

#### Senate Bill No. 579, entitled

A bill to amend 1974 PA 198, entitled "An act to provide for the establishment of plant rehabilitation districts and industrial development districts in local governmental units; to provide for the exemption from certain taxes; to levy and collect a specific tax upon the owners of certain facilities; to impose and provide for the disposition of an administrative fee; to provide for the disposition of the tax; to provide for the obtaining and transferring of an exemption certificate and to prescribe the contents of those certificates; to prescribe the powers and duties of the state tax commission and certain officers of local governmental units; and to provide penalties," by amending section 9 (MCL 207.559), as amended by 1999 PA 140.

The Senate has passed the bill.

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

#### Senate Bill No. 802, entitled

A bill to amend 1995 PA 24, entitled "Michigan economic growth authority act," by amending sections 3 and 8 (MCL 207.803 and 207.808), section 3 as amended by 2004 PA 398 and section 8 as amended by 2005 PA 185.

The Senate has passed the bill.

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

#### Senate Bill No. 883, entitled

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending section 518 (MCL 600.518), as amended by 2001 PA 256.

The Senate has passed the bill.

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

#### Senate Bill No. 900, entitled

A bill to amend 1996 PA 376, entitled "Michigan renaissance zone act," by amending section 8c (MCL 125.2688c), as amended by 2003 PA 93.

The Senate has passed the bill.

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

#### Senate Bill No. 907, entitled

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending sections 508 and 549a (MCL 600.508 and 600.549a), section 508 as amended by 2001 PA 253.

The Senate has passed the bill.

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

#### Senate Bill No. 922, entitled

A bill to amend 1996 PA 376, entitled "Michigan renaissance zone act," by amending sections 6 and 8a (MCL 125.2686 and 125.2688a), as amended by 2004 PA 430.

The Senate has passed the bill.

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

#### Senate Bill No. 925, entitled

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending section 517 (MCL 600.517), as amended by 2002 PA 715.

The Senate has passed the bill.

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

#### Senate Bill No. 946, entitled

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending section 507 (MCL 600.507), as amended by 2001 PA 252.

The Senate has passed the bill.

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

## Senate Bill No. 955, entitled

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending section 549g (MCL 600.549g), as added by 1981 PA 182.

The Senate has passed the bill.

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

The special committee to notify the Senate that the House was ready to meet in Joint Convention returned to the House along with the members of the Senate.

The committee, through its Chairperson, reported that it had performed the duty assigned it. The report was accepted and the committee discharged.

The Sergeant at Arms announced the members of the Senate, who were admitted and conducted to seats.

#### **Joint Convention**

6:30 o'clock p.m.

The Joint Convention was called to order by the President of the Joint Convention, Lieutenant Governor Cherry. Reverend Skip Wachsman, Pastor at Genesis Lutheran Church in Detroit, offered the following invocation:

"O God, we come before You this night thanking You for just being God, our God. And through Your love, grace and mercy, You have majestically and mightily declared that we are Your people. And we thank You tonight that we are Your diverse people. In our diversity, we call You by different names, but we are one. We are Black, White, Red, Yellow and Brown, but we are one. We have many different languages and dialects, but we are one. We have varied ethnicities, but we are one. We are upper and lower peninsulas, but we are one. We are urban, small town, and rural, but we are one.

O God, we Your people, as one, ask Your blessings upon our great State of Michigan this night. God, You have led us a mighty long way. The road has not always been easy, but Your faithfulness has brought us through. You have renewed us when we were broken; You have strengthened us when we were weak; You have united us when we were divided; You have encouraged and empowered us when we were filled with despair and hopelessness. So many times You have made a way out of what seemed to be no way.

And so, O God, on this night, we confidently call upon You to continue to walk with us into the future. Someone once said, we might not know what the future holds, but we know the One who holds the future. God be present with us now. With Your presence, power and peace, there is nothing we cannot face, nothing we cannot overcome, nothing over which we will not be victorious.

Bless our Governor. Give her wisdom, give her insight, give her compassion as she leads our state. Strengthen her faith, increase her vision, protect her from all evil, anoint her with the oil of tenacity and tenderheartedness. Give her a double portion of Your Spirit. Bless her family, her Cabinet, her staff, and all who are called and elected to bring leadership to this state. We claim what we ask right now, and we give You all the praise, all the honor, and all the glory. Amen."

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

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

The President of the Joint Convention announced that the two Houses had met in Joint Convention to receive the message of the Governor.

Representative Ward moved that a special committee, consisting of two Representatives and two Senators, be appointed to invite and escort the State Officers to the Joint Convention.

The motion prevailed.

The President of the Joint Convention named as such committee Representatives Booher and Donigan, and Senators George and Schauer.

The Sergeant at Arms announced the special committee appointed to invite the State Officers to be present at the Joint Convention.

The State Officers, escorted by the committee, were conducted to seats.

Senator Hammerstrom moved that a special committee, consisting of two Representatives and two Senators, be appointed to invite and escort the Judges of the Court of Appeals to the Joint Convention.

The motion prevailed.

The President of the Joint Convention named as such committee Representatives Meyer and Espinoza, and Senators Cassis and Switalski.

The Sergeant at Arms announced the special committee appointed to invite the Judges of the Court of Appeals to be present at the Joint Convention.

The Judges of the Court of Appeals, escorted by the committee, were conducted to seats.

Representative Ward moved that a special committee, consisting of two Representatives and two Senators, be appointed to invite and escort the Justices of the Supreme Court to the Joint Convention.

The motion prevailed.

The President of the Joint Convention named as such committee Representatives Proos and Byrnes, and Senators Van Woerkom and Scott.

The Sergeant at Arms announced the special committee appointed to invite the Justices of the Supreme Court to be present at the Joint Convention.

The Justices of the Supreme Court, escorted by the committee, were conducted to seats.

Senator Hammerstrom moved that a special committee, consisting of four Representatives and four Senators, be appointed to invite and escort the Governor to the Joint Convention.

The motion prevailed.

The President of the Joint Convention named as such committee Representatives Baxter, Hansen, Angerer and McDowell, and Senators Hammerstrom, Goschka, Cherry and Barcia.

The Sergeant at Arms announced the special committee to wait on the Governor.

The Governor, escorted by the committee, was conducted to the rostrum.

The President of the Joint Convention then introduced Governor Granholm who gave her message to the Joint Convention as follows:

"Thank you.

Lieutenant Governor Cherry, Mr. Speaker, Mr. Majority Leader, members of the Legislature, distinguished guests, fellow citizens, my beloved family:

Before I begin, I would like to recognize one more person – Melissa Dennis, wife of National Guardsman Anthony Dennis, Captain of the 125th Bravo Company serving in Iraq. I visited the 125th when I went to Iraq on Thanksgiving. Mrs. Dennis is here representing all of the families and soldiers who have put their lives on the line for us. Please join me in thanking her and all our Michigan heroes.

State of the State addresses are traditionally formal affairs where the Governor talks policy with the Legislature. People with titles and expensive suits pack this ornate hall. With utmost respect to you, I ask your indulgence as I speak more directly tonight to our employers – the people of Michigan.

I want to talk to the father who has worked for 30 years at a manufacturing plant who just got notice that his job as a welder has been outsourced to China.

I want to talk to the waitress who dreams of sending her only daughter to college but worries that she'll never be able to save enough to afford the tuition.

I want to talk to the woman behind the counter at the dry cleaners where you picked up your suit to wear tonight, the woman who's sick but who can't afford to see her doctor.

I want to talk to the worker at Delphi, at GM, at Chrysler, and at Ford. And I want to talk to the worker at the Ford Wixom plant.

Tonight, I want to talk to the everyday people of Michigan, the people who built Michigan's schools and churches, its little leagues and Kiwanis Clubs. The people who power its economy and who only expect for themselves a fair opportunity to build a good life for their families.

I want to talk to those who are fearful, and to those who are hopeful, and to many of you who are both.

Wherever we live in Michigan, we know that as our auto industry struggles in this global economy, our people feel that pain more than in any other state in the country.

Michigan, I am here to tell you: We have a detailed and comprehensive plan to grow this economy. We are working that plan. And everything in that plan will secure the opportunity for a good life for you and your family. In Michigan.

Some will say, 'How can you talk about a good life in Michigan when for over six years we have been losing manufacturing jobs – like the ones that Ford just announced?'

Here's the answer: I will not stop working our plan until we create a Michigan where every one of you, from the autoworker to the homemaker to the nurse, has the opportunity to build that good life.

The foundation of a good life, of course, is a good-paying job. But we know there are other critical building blocks. You need health care for your family. You need a quality education for your children – and, today, that means an affordable college education. And you need a government that fights for you, to protect your family, your home, your community.

Many fear that good life is slipping away in Michigan as our economy faces unprecedented challenge.

Tonight, I want you to know that our plan will meet that challenge because it, too, is unprecedented, both in detail and in scope. And I want to tell you how we will work that plan and move our state forward in four distinct ways:

- We will protect you and your family and your financial security all the more important during this time of economic transition.
- We will give all of our children the education they need to succeed in the 21st century economy. We want the most educated workforce in the nation.
- We will make health care more affordable and more accessible for hundreds of thousands of more people in Michigan.

• And because the foundation of a good life IS the opportunity for a good job, I'll keep fighting to protect the jobs we have. I will go anywhere and do anything to bring jobs to this state. And we'll diversify our economy by adding jobs in growing sectors.

We have been working this plan. We have been consistent, disciplined and unwavering in executing it. And it's already bearing fruit.

Our efforts have created and retained 327,000 jobs that otherwise would have gone to some other state or – more likely – some other country.

You hear all the time the bad news, so let me give you a couple of examples of our main successes in bringing jobs here:

J&L Industrial Supply, the largest metal cutting distributor in America, is consolidating operations from Texas, North Carolina, and California in Southfield. Advanced Photonix, a California technology firm, is moving its headquarters to Ann Arbor. Ohio based Cobra Motorcycles is moving its headquarters to Hillsdale.

And, let me introduce Greg Boll, CEO of Cummins Bridgeway – he moved factory jobs back to Michigan from Mexico because of the quality of Michigan's workforce – with support from us, he chose to bring jobs home. Thank you for choosing Michigan, Mr. Boll.

International companies are creating jobs in Michigan at a remarkable pace. In the past three years, German and Japanese companies created more than 10,000 jobs and invested \$1.7 billion in Michigan. Only two other states attracted more international investment than ours.

Our domestic automakers, despite their own challenges, have invested over \$9 billion in their Michigan facilities in the past three years.

Because of our sustained efforts to keep and attract automotive research and development companies, Michigan has more employees and investments in that growing part of our economy than all of the other 49 states, plus Canada, plus Mexico combined.

In the 12 months since I spoke here last, more than 1,600 new small businesses opened their doors in Michigan. In fact, in 2005 we were named one of the friendliest states in America for small businesses. (The Small Business Entrepreneurship Council, Washington, D.C.)

There are 99,000 more people working right now than when I first took office.

And we are creating 30,000 jobs by accelerating nearly \$3 billion in infrastructure projects across the state. Rather than waiting 10 years to get the work done, we'll finish it in the next three. Soon, everyone will live within 30 minutes of an infrastructure project – from roads and bridges, to sewers, to upgraded nursing homes, to environmental cleanup sites.

If you are unemployed or need training to become employed, thanks to our MI Opportunity Partnership, we're more successful than ever at training and placing unemployed people in good paying jobs that exist today in Michigan.

People like Armenia Smith, a Detroit mom who lost her job but gained the training she needed to become a nurse. Armenia's just one of the 19,000 people we have already placed in good jobs. Mrs. Smith, thank you for being here. We are on track to place 30,000 unemployed people in jobs in the first year of the program. We will place 40,000 more in year two. We have focused an entire department of state government on giving workers the skills they need to take new jobs.

So, you say, I see that you are training and placing thousands of people in jobs, and that you have attracted thousands of jobs to Michigan. But, you ask, what are you going to do to keep the jobs we have, and to make Michigan less reliant on the auto industry?

Here's the answer: Michigan has the most aggressive economic plan of any state in the country. It is a bold \$6 billion plan to grow jobs today and jobs tomorrow. Two of the most powerful pieces of this economic plan were just approved by this Legislature in the last two months.

First, a bipartisan \$600 million tax-cut package that will fight the outsourcing of our existing jobs and encourage the insourcing of new ones.

And second, the 21st Century Jobs Fund, the product of almost unanimous bipartisan agreement – the largest investment in diversifying our economy this state has ever seen. It'll create tens of thousands of new jobs. We'll invest more than \$2 billion in public and private funds to develop new sectors of our economy: Advanced manufacturing. Homeland security and defense. Life sciences. Alternative energy. This effort will create all kinds of jobs for all kinds of people. Jobs that will not be outsourced. Jobs that will keep our children in Michigan.

I know I said this speech was to the people, but let me just pause for a moment to thank you, the Legislature, for putting politics aside to put people first by approving this critical part of the plan.

We are wasting no time in putting this powerful tool to work to create jobs.

This month, we held 13 sessions across the state, explaining this fund to standing room only crowds of excited entrepreneurs and business people eager to grow their businesses.

In a few months, we will begin making prudent investments in the diverse companies that will grow jobs in Michigan.

And by this time next year, we'll see new businesses doing just that. In five years, you're going to be blown away by the strength and diversity of Michigan's transformed economy.

#### ALTERNATIVE ENERGY

Let me touch on one of those groundbreaking areas of job growth that we're targeting – alternative energy.

This is a big deal – and a huge opportunity for Michigan. Innovators across the country are developing new ways to power our refrigerators, heat our homes, and fuel our cars. Power plants and engines fueled not only by coal or oil, but by, for example, hydrogen, the sun or the wind, or waste from landfills or farms.

The Great Lakes State will be the alternative energy epicenter of America. Since we are the home of the automobile, it is our proud, patriotic duty to be the state that ends our nation's dependence on foreign oil.

Our universities are already leaping into the alternative energy field. At Michigan State University, President Lou Anna Simon is positioning our state (and her Spartans) to lead the world in the new 'bio-economy' – developing energy and other products from our agricultural sector. Kettering University in Flint, MAREC in Muskegon, and Next Energy at Wayne State all are leading in the development of alternative energies. If you went to the auto show, and I hope you did, you might have seen the national championship solar car developed by University of Michigan students; it tops out at 80 mph.

We will use our 21st Century Jobs Fund to grow businesses here that put Michigan on the path to alternative energy leadership. And in the months ahead, we will form a statewide partnership among all of the alternative energy research and development institutions in Michigan, and we will dramatically increase the demand in our state for alternative sources of energy to bring those kinds of businesses to Michigan.

We will continue to reach for the vision of a nation independent of foreign oil – a nation powered by Michigan's green businesses, Michigan innovation, and Michigan workers.

# GOING ANYWHERE, DOING ANYTHING TO BRING JOBS TO MICHIGAN

In the year ahead, I will continue to go anywhere and do anything to bring jobs to Michigan. Instead of seeing our jobs outsourced to China or India or Mexico, I'm going to continue to bring jobs home.

In 2004 and 2005, the destinations were Germany and Japan. When tourists go overseas, they bring back souvenirs. We brought back jobs. German companies – Behr Industries, Eberspacher, and Bosch – are hiring people in Kent County, Brighton, and Plymouth. Our Japan trip brought commitments for hundreds of more new jobs from Denso, Tokai Rika, Hitachi Automotive, and others.

This year, whether we are courting life science leaders in Boston, technology leaders in California, homeland security businesses in Washington, or their counterparts in Europe or Asia, I will tell each of them this: there's no better place on the planet to grow your business than right here in Michigan.

#### Fighting for the Jobs We Have

In addition to bringing jobs home, I'll continue my fight to keep the jobs we have right here in Michigan.

On this point, let me be very clear: We  $\underline{will}$  grow new segments of our Michigan economy. But we will  $\underline{not}$  concede the automotive industry to any other state or nation.

We are the state that put America on wheels – the state that put the 'car' in NASCAR. There is no vision for Michigan's new economy that does not include cars designed, engineered, and made in Michigan. The industry's changing – but we in Michigan cannot – will not – abandon it. And we should not allow our government in Washington to abandon it either.

Believe me, Michigan will continue to do everything in its power to support our manufacturing sector. We know state government has a role to play.

But as manufacturing CEOs have repeatedly told me: No state can fix this problem alone. No state can adopt or enforce trade agreements. No state can impact the nation's laws on pensions. The leadership in Washington must be our partner in responding to the crushing challenges of a global economy. A partner. Not a bystander.

Our bipartisan Congressional delegation agrees. We all owe thanks for the leadership of our Senators Carl Levin and Debbie Stabenow and Deans of the House, Congressmen John Dingell and Fred Upton, who are fighting for a federal partnership to help our manufacturing sector.

I'll continue to call on our President to craft a uniquely American solution to health care and pension reforms to make our nation's manufacturers competitive with other countries. I've called on the administration in Washington to enact fair trade policies, not trade policies that help other countries grow jobs while ours are outsourced. Michigan workers make the best products in the world. We're not afraid of trade. I say 'bring it on' But it must be fair trade. Fair to our businesses. Fair to our workers. Fair to our country.

As long as I am your Governor, no state will fight harder to keep our manufacturing jobs.

## Slash Bureaucracy and Streamline

I'll also continue to do everything I can to make our state more friendly to job providers.

We will continue to slash the red tape that entangles businesses.

Michigan is already the first state in the nation to offer environmental permits online – a step that has cut air quality permitting time for businesses by 66 percent. This year, we'll cut in half the time it takes for new employers to open their doors as a Michigan business – and we'll do it online. We'll nearly double the number of business permits available online.

A state that can balance its books and maintain a high quality of life is a state that will attract businesses and jobs. I'm proud that we've resolved \$4 billion in budget deficits without a general tax increase. And proud that I've signed 51 tax-cuts into law, both for individuals and to help businesses create jobs, without leaving gaping holes in our budget. I've also made it clear that I will not support business tax breaks that would shift the burden to everyday citizens or force cuts to education and health care.

The main reason we've been able to do more with less in state government is because our state workers are, without a doubt, second to none. Please join me in honoring and thanking these incredibly dedicated public servants.

As part of our economic plan, last year I ordered our departments to buy Michigan first. Today, more than 85 percent of what the State of Michigan buys is sold to us by Michigan companies, and we're proud to support the home team.

Before I leave this discussion of supporting our businesses, I want to underscore the importance of supporting the cities they call home.

In my budget presentation next month, I will offer cities a major incentive to partner on significant economic development projects. Partner with the state. Partner with the private sector. And partner with other municipalities to encourage regional collaboration for major economic development and jobs projects. It will create construction jobs today. It will promote regional cooperation. And it will enhance our cities.

And let me pause on our largest city.

For the past two weeks, Detroit has showcased the world's premiere auto show. It was on TV across the nation. It was a reflection of Michigan.

And next week, the Super Bowl spotlight will shine on the Motor City. It will be on TV around the world. It will be a reflection of Michigan.

Mayor Kilpatrick, welcome. The entire state needs and wants Detroit to be successful. We all have to work together to see it happen.

So, to those who practice the politics of division, who would drive a wedge between the city and the state, let me say this:

The only thing that should come between Detroit and Michigan is a comma.

Period.

Let me turn to two other issues related to our economic growth. Making health care more affordable and accessible, and ensuring that our children have the education to succeed in this new economy.

# MAKING HEALTH CARE MORE AFFORDABLE AND ACCESSIBLE

#### Create a Michigan First Health Care Plan

We have already expanded health care in Michigan. Beginning this year, we will revolutionize it.

Our first step is a quantum leap: We will provide access to quality, affordable health care for 550,000 people. We'll create a new insurance product in this state: the Michigan First Health Care Plan.

The concept is simple: Give families who otherwise could not afford health insurance access to a basic, low-cost health care plan through a private insurance company. We will offer this plan through a new financial partnership with the federal government.

Michigan First will cover the small business employee who doesn't get coverage through work and doesn't qualify for Medicaid.

It will cover the self-employed worker who can't otherwise afford to purchase a private plan.

It will allow us to provide mental health services – because it is as important to cover mental health as it is physical health.

And this will make Michigan the state with the highest percentage of its population insured.

If you already have insurance, you may be asking yourself, 'Why does this matter to me?' Because Michigan First will save you money, too. Having fewer uninsured people reduces the costs of insurance for everyone – you pay an extra \$730 per year for the cost of your insurance just to cover people who are uninsured. The more people who are insured, the less *everyone* pays.

# Bring health care delivery into the 21st century

The second step in our plan to provide more affordable, better quality health care is to bring health care delivery into the 21st century.

In Michigan, we'll help our health care industry stop depending on your memory and their paper records as databanks. We are going to use technology to vastly improve the system. In the future, you will be able to give your pharmacist, your doctor, or the emergency room immediate access to your information, but you will control who sees it and what it is used for.

Think about it, never having to remember the name of the medicines you've been prescribed. Never having to fill out another form detailing your medical history, your allergies and the last time your 10-year-old got a tetanus shot.

In December, I convened a new Michigan Health Information Network of health care and technology professionals to develop that new network. Already, pilot projects are up and running in Southeast Michigan, right here in Lansing, and in the Upper Peninsula.

This investment in information technology will reduce errors, reduce duplication, reduce insurance costs, and increase your medical privacy.

#### Remove Limits on Stem Cell Research in Michigan

If we are truly serious about improving both the cost and quality of health care in this state, we must tap the full power of modern science to combat life-threatening illnesses.

Imagine having to watch your child suffer with juvenile diabetes. Imagine watching your wife lose her ability to speak, and walk, and even eat, as her Parkinson's worsens.

Stem cell research holds the promise for finding cures and for improving the lives of thousands of people.

Talented researchers and businesses around the world are working right now on those cures...but we can't recruit them to Michigan to do their work because of the limits Michigan law puts on them. When human lives are at stake, we should lead the nation in this work, not put obstacles in our own path.

Tonight, I am asking you, our Legislature, to join with me in supporting this search for cures. Pass Representative Meisner's bill to remove the limits on stem cell research in Michigan, and do it now.

# INVEST IN KIDS TO ENSURE THEIR FULL POTENTIAL; CREATE THE BEST-EDUCATED WORKFORCE IN THE NATION

Now, when it comes to education, we will have one overarching goal: to become the best-educated workforce in the nation. To do that, we will give our children the tools they need to be successful in the classroom and in the 21st century economy.

As your governor, my position has been clear.

I believe in the promise of public education, and I'll fight those who would break that promise.

I'm proud that we have increased our investment in our public schools to record levels.

But I have also said this: While we will continue to invest more in our schools, we also have to expect more of them.

So, in the year ahead, we'll do two things: We'll set the bar high for our students and teachers, and we'll ensure they have the tools and skills they need to clear that bar.

## Create a Michigan Promise with a New Merit Award Scholarship

First, we must make sure that every parent who's watching tonight can afford to send their children to college. To achieve our goal of a workforce that's second to none, we must be first when it comes to giving citizens access to higher education.

Last year, I proposed allowing <u>every</u> child in Michigan who continues their education beyond high school to earn a \$4,000 new Merit Award Scholarship – not just those who pass a standardized test in high school.

Just weeks ago, we all watched as the Kalamazoo Promise changed the dynamic of public education in that community. Through the tremendous generosity of private donors, all children who attend Kalamazoo Public Schools will grow up knowing that their college tuition is paid for.

As we celebrate the Kalamazoo Promise, let's change that dynamic in <u>every</u> community in Michigan. Our new Merit Award Scholarship will create a *Michigan* Promise right now.

A promise that every child in Michigan will – for the first time in this state's history – have the financial means to go to college.

And, therefore, a promise to anyone who wants to build a business and grow jobs that Michigan will have the nation's most highly educated workforce.

It has been a year since I put the new Merit Award Scholarship before this group, and it is even more critical to Michigan's future today than it was then.

Tonight, Michigan's citizens, you should ask this Legislature: 'Why are you waiting?'

# An Agenda for Strong Schools

Making higher education affordable is half the equation. Let me lay out the rest.

First, we're toughening the required curriculum for high schools.

Right now in Michigan, we require only one course for our high school graduates: a single semester of civics. Only one-third of the students who graduate from our high schools right now have taken the math, science, and communication courses we know they'll need to compete in our new economy.

That is why I called for the creation of a required core curriculum for all Michigan high school students.

I applaud both our State Superintendent Mike Flanagan and our State Board of Education for recommending what that curriculum should be.

To ensure that it can be in place by September, this Legislature needs to give that new curriculum the force of law before March.

So we will set the bar high, but we'll invest in our classrooms to make sure your child can clear that bar, too. In the budget I'll introduce next month, I'll call for a significant new investment in education, and I'll focus that investment on student learning.

For you who have 6th, 7th and 8th graders, know that we will increase after school programs to give middle schoolers extra hours of learning focused on math, science and computer technology. We want them to be prepared when they get to that tougher high school curriculum.

For those of you who have babies and toddlers, know that we'll invest in greater support for early childhood learning. We *know* that the biggest opportunity to secure your baby's success later in life comes *early* – before your

little one even enters kindergarten. So even in these tight budget times, we'll increase the size of our pre-school program for four-year-olds significantly.

For every parent – with children at every school age – we will make sure that you know *early* if your child is falling behind. When something's not going right for your child in school, you want to know right away, so you can help right away, not after they've been falling behind for weeks. In the year ahead, we'll ask our school districts to give prompt notification to parents whenever a child's grades dip or attendance slips. And I'll ask this Legislature to write these requirements into law. Parents make a world of difference in their children's performance in school when they have the information to act.

We'll also work to make sure that your children are safe in their schools. No child in Michigan should have to be the victim of a schoolyard bully, and no child should have their learning disrupted by a child who's unruly. That's why, tonight, I am urging this Legislature to require every school district in Michigan to have tough and effective antibullying policies. I've also asked Superintendent Flanagan to require that Michigan's teachers learn how to run disciplined, orderly classrooms before they even leave their teacher training programs. Michigan is blessed with dedicated teachers who'll hit even greater heights when we give them the tools they need to keep kids focused on learning.

The challenge of creating strong schools for this new century will not wait. It demands action now. It calls for both new investment *and* new direction.

#### PROTECTING OUR FAMILIES AND THEIR WAY OF LIFE

Quality education for our children. Affordable and accessible health care. Good-paying jobs.

These are the things that we all want in Michigan. And this good life we work so hard to create is worth protecting. There are those who believe we should simply let people fend for themselves in a tough world and let the chips fall where they may.

I'm not one of them.

Tonight, let me share some of the work we'll do to protect you, your family, and your financial security.

First, let us increase the minimum wage in Michigan.

You who are working in minimum wage jobs have not had a raise for nine years. Even the Legislature got a raise since then.

I pledge to you this evening, those workers will get that increase this year.

If this Legislature is not willing to raise the minimum wage in our state, the voters of Michigan will.

Second, we'll make it more affordable for you to pay your heating bills. We have set aside money for emergency assistance for those struggling to pay their bills this season.

Earlier this month, I asked our Public Service Commission to set aside an additional \$25 million for home heating help this year – they've agreed. We will not allow those on fixed incomes to choose between heating and eating this winter.

Third, I ask the Legislature to pass measures that will demand high standards of corporate responsibility from any business that seeks a state grant, a tax credit, or a state contract.

We are blessed in Michigan with countless businesses who know what it means to be good corporate citizens. But we should not use your tax dollars to enrich the bad actors – the companies that incorporate in off-shore tax havens, violate U.S. pension laws and international labor standards. We should ensure that your dollars go to creating jobs here in Michigan, not moving jobs overseas.

And while we're asking corporations to be responsible: Fourth, I urge the Legislature to pass strong ethics legislation for politicians and candidates for office. The citizens, our bosses, the ones who hired us – you deserve to know that *your* interests are being represented by the people you elect. Last month, I introduced a series of ethics reforms that will require public officials to disclose their personal financial information so taxpayers know elected officials are working for the public, not enriching themselves.

Fifth, we will protect our senior citizens. I urge the Legislature to protect our seniors by passing legislation requiring criminal background checks for those who provide elder care and employees of nursing homes in our state.

Sixth, give Michigan citizens a break on the costs they pay for their home and auto insurance. This year my administration started a first-of-its-kind pooling program for citizens who live in our cities and who traditionally pay the state's highest insurance rates just because their address reads Detroit or Flint.

But pilot programs aren't enough – we have to reduce the cost of insurance in every city – and, frankly, in every driveway across the state. Democrats introduced a package of bills that would roll back insurance rates by 20 percent. It will give the Insurance Commissioner's office the teeth it needs to find – and penalize – companies that are charging too much.

Pass that package – not because I asked you to, but because everyday citizens need us to.

Finally, many of you listening tonight who work for small businesses do not have a pension plan. My administration will design and open a 401(k) plan, like the state's plan, for those workers of small companies who don't offer a pension plan. At minimal expense to state government, we will help tens of thousands of Michigan workers save for their retirement and achieve economic security.

If those in this room can have a pension plan, thanks to the citizens, certainly those same citizens who are watching tonight ought to be able to have one, too.

#### **CONCLUSION**

So, my friends, as I've said tonight, we have much to do. A comprehensive plan to create jobs today and tomorrow, to give you and your family affordable health care, to give your children the best education in the nation, and to protect people and defend their opportunity for a good life.

Michigan was built on the hard work of everyday people, and I'll fight to protect the opportunity that hard work has won every day.

So while I've talked a lot about the work before us, let me be clear: there is certainly a lot to love about Michigan just as she is.

Like the incredibly dedicated Michigan soldiers and their families who we began by honoring tonight. The communities that celebrate the soldiers' return with potluck dinners and yellow ribbons. The Lenten fish fries and church BBQs. The kids in neighborhoods across the state holding lemonade sales for tsunami victims they will never know. Fishing on a quiet lake at dawn. Going to a cottage – maybe even building or owning one – Up North and lazing in an Adirondack chair on the porch with the sun on your face, smelling the white pine trees. Being able once in a while to afford a Wings or Pistons game.

This plan is about fighting to protect your opportunity for that middle class way of life. It's our Michigan version of the American dream.

It's about a Michigan where everyday people can afford to take care of their family's health.

It's about a Michigan where everyday people know they'll have a peaceful, secure retirement.

This is about a Michigan where any child really can go to college and have a better life than her parents did.

This is about a dynamic Michigan whose ancestors were not afraid to believe that one day there might be a Mustang on four wheels, not four hooves.

This is about a Michigan whose engineers can harness the power in alternative fuels, whose doctors will develop cures for cancer, whose businesspeople are excited this very minute about designing offices, creating jobs, and selling products that we don't even have a name for.

We love the Michigan that is, and the Michigan that will be.

God has blessed us all to live in an amazing land and to be part of an incredible story. I invite you to join me in believing in that next chapter in Michigan's story. And then join me in writing it.

God bless you all. And God bless Michigan."

The business of the Joint Convention having been completed, the Governor, the Justices of the Supreme Court, the Judges of the Court of Appeals and the State Officers withdrew.

Representative Ward moved that the Joint Convention adjourn.

The motion prevailed, the time being 8:10 p.m.

The Lieutenant Governor and members of the Senate retired.

The Speaker announced that the House of Representatives and Senate had met in Joint Convention and had listened to the message of the Governor.

#### **Introduction of Bills**

Reps. Caswell, Kahn and Nitz introduced

# House Bill No. 5611, entitled

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending section 78g (MCL 211.78g), as amended by 2003 PA 263.

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

Reps. Caswell, Kahn and Nitz introduced

## House Bill No. 5612, entitled

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending sections 10c and 10d (MCL 211.10c and 211.10d), section 10d as amended by 1984 PA 19.

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

Reps. Espinoza, Plakas, Alma Smith, Kathleen Law, McDowell, Lipsey, Kolb, Wojno, Vagnozzi, Condino, Brown, Anderson and Leland introduced

#### House Bill No. 5613, entitled

A bill to amend 1986 PA 87, entitled "An act regarding warranties on new motor vehicles; to require certain repairs to new motor vehicles; to provide remedies for the failure to repair such vehicles; and to prescribe duties for certain state agencies," (MCL 257.1401 to 257.1410) by amending the title, as amended by 1998 PA 486, and by adding section 9a.

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

Rep. Van Regenmorter introduced

# House Bill No. 5614, entitled

A bill to amend 1994 PA 295, entitled "Sex offenders registration act," by amending section 8 (MCL 28.728), as amended by 2004 PA 240.

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

Rep. Anderson moved that the House adjourn.

The motion prevailed, the time being 8:20 p.m.

The Speaker declared the House adjourned until Thursday, January 26, at 10:30 a.m.

GARY L. RANDALL Clerk of the House of Representatives