# No. 8 STATE OF MICHIGAN Journal of the Senate

# 93rd Legislature REGULAR SESSION OF 2006

Senate Chamber, Lansing, Wednesday, February 1, 2006.

10:00 a.m.

The Senate was called to order by the President, Lieutenant Governor John D. Cherry, Jr.

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

Allen—present
Barcia—present
Basham—present
Birkholz—present
Bishop—present
Brater—present
Brown—present
Cassis—present
Cherry—present
Clark-Coleman—excused
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 Gerald Van Woerkom of the 34th District offered the following invocation:

Heavenly Father, we come to You on this morning and we give You thanks for another beautiful day. We pray that You will bless us in the work that we are facing this day. We pray that You will give us wisdom and direction. We pray that the things we do might be good and right for the people of our state. Watch over us. Be with all of those who are in authority. We pray that You will bless them, especially those who are in harm's way. Be near them and keep them safe. In Your most holy name. Amen.

The President, Lieutenant Governor Cherry, led the members of the Senate in recital of the *Pledge of Allegiance*.

#### **Motions and Communications**

Senators Leland and Basham entered the Senate Chamber.

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

Senate Bill No. 246 Senate Bill No. 318

The motion prevailed.

Senator Hammerstrom moved that Senators Stamas, Goschka, Johnson and Birkholz be temporarily excused from today's session.

The motion prevailed.

Senators Stamas and Johnson entered the Senate Chamber.

Senator Schauer moved that Senator Brater be temporarily excused from today's session. The motion prevailed.

Senator Schauer moved that Senator Clark-Coleman be excused from today's session. The motion prevailed.

Senators Goschka, Birkholz and Brater entered the Senate Chamber.

By unanimous consent the Senate proceeded to the order of

# Messages from the House

#### Senate Bill No. 736, entitled

A bill to amend 1846 RS 171, entitled "Of county jails and the regulation thereof," by amending sections 4 and 4a (MCL 801.4 and 801.4a), as amended by 1984 PA 119.

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

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

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

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

# Senate Bill No. 788, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending sections 685, 686, 688, and 695 (MCL 257.685, 257.686, 257.688, and 257.695), sections 686 and 688 as amended by 1990 PA 98 and section 695 as amended by 1995 PA 221, and by adding section 684a.

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

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

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

The Senate agreed to the full title.

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

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, Lieutenant Governor Cherry, designated Senator Kuipers as Chairperson. After some time spent therein, the Committee arose; and, the President, Lieutenant Governor Cherry, having resumed the Chair, the Committee reported back to the Senate, favorably and without amendment, the following bill:

## House Bill No. 5375, entitled

A bill to amend 1978 PA 368, entitled "Public health code," (MCL 333.1101 to 333.25211) by adding section 16185. 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: **House Bill No. 4670, entitled** 

A bill to amend 1978 PA 368, entitled "Public health code," (MCL 333.1101 to 333.25211) by adding section 16184. Substitute (S-1).

The Senate agreed to the substitute recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill: Senate Bill No. 728, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending sections 9201, 9207, and 9227 (MCL 333.9201, 333.9207, and 333.9227), sections 9201 and 9227 as amended and section 9207 as added by 1996 PA 540. Substitute (S-1).

The Senate agreed to the substitute recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

#### **Resolutions**

Senator Sanborn offered the following resolution:

# Senate Resolution No. 94.

A resolution to memorialize the Congress of the United States to oppose the SMART Act, which would create mandatory federal standards and regulation of commerce.

Whereas, The State Modernization and Regulatory Transparency (SMART) Act, which would create mandatory federal insurance standards preempting state law and undermining the sovereignty of state governments, is being considered by certain members of the United States Congress. State legislatures are more responsive to the needs of their constituents and are more knowledgeable regarding the market conditions that may exist in individual states and the need for unique insurance products and regulation to meet their specific market demands; and

Whereas, Regulation, oversight, and consumer protection have traditionally and historically been powers reserved to state governments. State legislatures are the proper governmental entity to determine public policy on insurance issues. This has been demonstrated in the 60 years since the enactment of the McCarran-Ferguson Act of 1945, which reserved the regulation of the business of insurance to the states; and

Whereas, In 2003, Michigan derived \$28.9 million in general revenue from insurance taxes, fees, assessments, and fines and penalties. This revenue would be lost if Congress federalizes insurance regulation. Moreover, Michigan's recently revised insurance statutes not only modernize market regulation, but provide insurers with greater ability to respond to changes in market conditions; now, therefore, be it

Resolved by the Senate, That we express our strong opposition to federal legislation, such as the SMART Act, that would impair, erode, and limit the ability of state governments to regulate the business of insurance; 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 Banking and Financial Institutions. The motion prevailed.

Senators Bishop, Gilbert, Goschka and Jelinek were named co-sponsors of the resolution.

By unanimous consent the Senate proceeded to the order of

#### **Statements**

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

The motion prevailed.

Senator Scott's statement is as follows:

I have from my website a story from Detroit. It says, "I have been involved with the fight against redlining for many years, in fact, since the early days of Erma Henderson of our Detroit City Council. In all of this time I have never seen any improvement in the way insurance rates are set for homeowners and for auto insurance. In fact, the situation for the city of Detroit has worsened over these many years. The stories coming from out of the community is disastrous when compared to other cities. In some cases we are paying 2-3 times as much for less coverage than our suburban neighbors. That, my friend, is not only un-American, it is downright flagrant and illegal. It speaks to the past of discrimination and harassment of the least among us."

Well, to those who have been writing me, let me tell you, we have scheduled a meeting for tomorrow, Thursday, 12 noon in Room 100 in the Farnum Building at 125 West Allegan, Lansing, Michigan. The agenda is Senate Bill No. 26 (Senator Scott) Insurance; essential; refusing, limiting, or charging different rates due to the geographic location; prohibit. And this would amend Section 2111 of 1956 PA 218, MCL 502.2111. I'm hoping that we're not going to just take up these bills, but that we are going to do something to help those people like the person I just read from my website.

So again I would like to thank the chair of the committee for taking up this bill.

#### Recess

Senator Hammerstrom moved that the Senate recess subject to the call of the Chair. The motion prevailed, the time being 10:22 a.m.

10:31 a.m.

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

By unanimous consent the Senate returned to the order of

# **Introduction and Referral of Bills**

Senator Bishop introduced

# Senate Bill No. 1018, entitled

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," by amending section 1305 (MCL 500.1305), as amended by 1992 PA 182.

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

Senator Bishop introduced

# Senate Bill No. 1019, entitled

A bill to amend 1953 PA 232, entitled "Corrections code of 1953," by amending sections 33 and 65 (MCL 791.233 and 791.265), section 33 as amended by 1998 PA 320 and section 65 as amended by 1998 PA 512.

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

Senators Clark-Coleman, Toy, Gilbert, Van Woerkom, Allen, Sanborn, Stamas, Garcia, Basham, Clarke, Switalski, Jacobs, Prusi, Thomas, Leland, Olshove, Cherry, Barcia, Scott, Emerson, Schauer, Brater and Hardiman introduced

# Senate Bill No. 1020, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending section 506 (MCL 206.506), as amended by 1996 PA 484.

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

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

# Senate Bill No. 1021, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," (MCL 380.1 to 380.1852) by adding section 1278a. The bill was read a first and second time by title and referred to the Committee on Education.

Senators Birkholz, Hardiman, George, Switalski, Schauer, Hammerstrom and Van Woerkom introduced Senate Bill No. 1022, entitled

A bill to enter into the midwest interstate passenger rail compact to promote intergovernmental coordination aimed at development and promotion of intercity passenger rail transportation; to promote long-range planning for high-speed rail passenger service in the midwest; to describe the powers and duties of certain commissions; and to provide for ratification and a method of termination.

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

Senators Birkholz, Hardiman, George, Hammerstrom and Van Woerkom introduced

#### Senate Bill No. 1023, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending section 260 (MCL 206.260), as amended by 1996 PA 484.

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

Senators Hardiman, Birkholz, Jacobs, Kuipers, Jelinek, McManus, Cherry, Goschka, Bishop, Toy and Garcia introduced

# Senate Bill No. 1024, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by amending section 540 (MCL 750.540). The bill was read a first and second time by title and referred to the Committee on Judiciary.

# **Committee Reports**

The Committee on Government Operations reported

# Senate Bill No. 973, entitled

A bill to amend 1954 PA 116, entitled "Michigan election law," by amending section 32 (MCL 168.32); and to repeal acts and parts of acts.

With the recommendation that the bill pass.

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

Kenneth R. Sikkema Chairperson

#### To Report Out:

Yeas: Senators Sikkema, Hammerstrom, Allen and Cassis

Nays: Senators Emerson, Jacobs and Thomas

The bill was referred to the Committee of the Whole.

The Committee on Government Operations reported

# Senate Bill No. 974, entitled

A bill to amend 1954 PA 116, entitled "Michigan election law," by amending section 474 (MCL 168.474).

With the recommendation that the bill pass.

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

Kenneth R. Sikkema Chairperson

# To Report Out:

Yeas: Senators Sikkema, Hammerstrom, Allen and Cassis

Nays: Senators Emerson, Jacobs and Thomas

The bill was referred to the Committee of the Whole.

The Committee on Government Operations reported

# Senate Bill No. 975, entitled

A bill to amend 1954 PA 116, entitled "Michigan election law," by amending section 474a (MCL 168.474a), as amended by 1999 PA 219.

With the recommendation that the bill pass.

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

Kenneth R. Sikkema Chairperson

# To Report Out:

Yeas: Senators Sikkema, Hammerstrom, Allen and Cassis

Nays: Senators Emerson, Jacobs and Thomas

The bill was referred to the Committee of the Whole.

The Committee on Government Operations reported

# Senate Bill No. 976, entitled

A bill to amend 1954 PA 116, entitled "Michigan election law," by amending section 476 (MCL 168.476), as amended by 2005 PA 71.

With the recommendation that the bill pass.

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

Kenneth R. Sikkema Chairperson

# To Report Out:

Yeas: Senators Sikkema, Hammerstrom, Allen and Cassis

Nays: Senators Emerson, Jacobs and Thomas

The bill was referred to the Committee of the Whole.

#### COMMITTEE ATTENDANCE REPORT

The Committee on Government Operations submitted the following:

Meeting held on Tuesday, January 31, 2006, at 1:00 p.m., Rooms 402 and 403, Capitol Building

Present: Senators Sikkema (C), Hammerstrom, Allen, Cassis, Emerson, Jacobs and Thomas

#### COMMITTEE ATTENDANCE REPORT

The Committee on Judiciary submitted the following:

Meeting held on Tuesday, January 31, 2006, at 1:30 p.m., Room 210, Farnum Building

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

# COMMITTEE ATTENDANCE REPORT

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

Meeting held on Tuesday, January 31, 2006, at 3:00 p.m., Room 110, Farnum Building

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

Excused: Senator Patterson

## **Scheduled Meetings**

Agriculture, Forestry and Tourism - Thursday, February 2, 8:00 a.m., Room 110, Farnum Building (373-1635)

**Appropriations** - Thursday, February 9, 1:00 p.m. or later immediately following Senate/House Appropriations Committee Meeting, Senate Appropriations Room, 3rd Floor, Capitol Building (373-2523)

Subcommittees -

Agriculture, Senate/House - Thursday, February 2, 9:00 a.m., Room 428, Capitol Building (373-5932)

**Community Colleges -** Wednesday, February 22, 12:30 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-6960)

Judiciary and Corrections - Tuesday, February 21, 3:00 p.m., Room 402, Capitol Building (373-3760)

K-12, School Aid, Education - Thursday, February 16, 12:30 p.m., Rooms 402 and 403, Capitol Building (373-6960)

**Natural Resources Department -** Wednesdays, February 15, 8:30 a.m., and February 22, March 1, March 8, and March 15, 3:00 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-1725)

**Transportation Department -** Tuesdays, April 18, April 25, May 2, May 9, May 16, and May 23, 2:00 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-2523)

**Appropriations, Senate/House -** Thursday, February 9, 12:00 noon, House Appropriations Room, 3rd Floor, Capitol Building (373-2523)

Banking and Financial Institutions - Thursday, February 2, 12:00 noon, Room 100, Farnum Building (373-2417)

Senator Hammerstrom moved that the Senate adjourn.

The motion prevailed, the time being 10:34 a.m.

The President, Lieutenant Governor Cherry, declared the Senate adjourned until Thursday, February 2, 2006, at 10:00 a.m.

CAROL MOREY VIVENTI Secretary of the Senate