

**SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND REGULATORY  
REFORM**

**MINUTES FOR MARCH 17, 2010**

A meeting of the Senate Committee on Economic Development and Regulatory Reform was held on Wednesday, March 17, 2010, in rooms 402 / 403 of the Capitol Building at 1:00 pm.

Attendance was recorded as follows:

Present: Senators Sanborn, Richardville, Allen, Gilbert, Thomas, Hunter and Jacobs  
Excused: None

**The Agenda Summary is as follows:**

**House Bill 5029 - Reported with favorable recommendation and I.E.**

**House Bill 5672 - Reported with favorable recommendation and I.E.**

**Senate Bill 1174 - Reported the (S-3) version with favorable recommendation and I.E.**

The meeting was called to order at 1:12 pm. The Chair began by taking roll and asking members to approve the minutes from the previous meeting of February 24, 2010. A motion was offered by Senator Thomas, support given by Senator Richardville, and the members approved the minutes by a vote of 7 to 0 as follows:

**Approval of the minutes from the 02-24-10 meeting:**

Yeas: Senators Sanborn, Richardville, Allen, Gilbert, Thomas, Hunter, and Jacobs

Nays: None

The Chair began by taking testimony on House Bills 5029 and 5972.

**House Bill 5029 introduced by Representative Spade;** Disabilities; other; fees for licensing interpreters; create fund.

**House Bill 5672 introduced by Representative Spade;** Disabilities; other; fee for licensing interpreters; allow deposit into division on deafness fund.

Mark Lawrence, of Representative Spade's office, gave opening remarks providing background on the legislation.

Janine Benedict, on behalf of the Department of Energy, Labor, and Economic Growth, submitted a card in support of the bill but did not wish to speak. However, she was called upon briefly to address a question offered by Senator Jacobs.

Being no further testimony, Senator Thomas made a motion to report House Bill 5029 with the Committee's favorable recommendation. Support was offered by Senator Jacobs and the motion passed by a vote of 4 to 0 as follows:

**Report HB 5029 with favorable recommendation:**

Yeas: Senators Sanborn, Allen, Thomas, and Jacobs

Nays: None

A motion to recommend immediate effect was offered by Senator Allen. Support for the motion was offered by Senator Jacobs and the motion passed by a vote of 6 to 0 as follows:

**Recommend immediate effect for HB 5029:**

Yeas: Senators Sanborn, Richardville, Gilbert, Thomas, Hunter, and Jacobs

Nays: None

Senator Allen made a motion to report House Bill 5672 with the Committee's favorable recommendation. Support was offered by Senator Thomas and the motion passed by a vote of 4 to 0 as follows:

**Report HB 5672 with favorable recommendation:**

Yeas: Senators Sanborn, Allen, Thomas, and Jacobs

Nays: None

A motion to recommend immediate effect was offered by Senator Jacobs. Support for the motion was offered by Senator Thomas and the motion passed by a vote of 6 to 0 as follows:

**Recommend immediate effect for HB 5672:**

Yeas: Senators Sanborn, Allen, Thomas, and Jacobs

Nays: None

The Chair then turned the members' attention to Senate Bill 1174.

**Senate Bill 1174 introduced by Senator Van Woerkom;** Insurance; other; takeovers of certain insurance companies; provide for procedures.

As the sponsor of the measure, Senator Van Woerkom offered a brief background on the bill.

Richard Dunning, President and CEO of Freemont Insurance Company, offered testimony in support of the bill.

For the purposes of discussion, Senator Richardville made the motion to adopt the S-1 version of SB 1174. Senator Allen offered support and the motion passed by a vote of 6 to 0 as follows:

**Adopt the S-1 version of Senate Bill 1174:**

Yeas: Senators Sanborn, Richardville, Allen, Thomas, Hunter, and Jacobs

Nays: None

Questions and discussion followed.

Ken Ross, Commissioner of the Office of Financial and Insurance Services, testified that the agency was neutral on the bill.

Questions and discussion followed.

James Veach, Attorney for Mound, Cotton, Wollan & Greengrass, offered testimony in opposition to the measure.

Derek Wooley, of Goldwater/Taplin Group, offered remarks in opposition to the bill.

Questions and discussion followed.

Wayne Blackwell, of Blackwell Insurance, offered remarks in support of the bill.

Skip Massucci, of Freemont Insurance Company, gave testimony supporting the legislation.

Kurt Dettmer, with Freemont Insurance Company, spoke in support of the measure.

William Brewbaker, on behalf of Allaby & Brewbaker Agency, testified in support of the bill.

The following individuals offered testimony cards to indicate their position on the bill but did not wish to offer testimony:

- Christine Shearer, MI Assn of Health Plans, in support
- Adrian Cazal, of Muchmore, Harrington, Smalley, on behalf of Farmers Insurance, in support
- Rob Ulmstead, with Steenland Ins. Agency Inc., in support
- Jim Hallan, Michigan Retailers/Retailers Mutual Insurance Co., in support
- Scott Hummel, from the MI Assn of Insurance Agents, neutral on the bill

Pete Kuhnmuensch, on behalf of the Insurance Institute of Michigan, gave testimony in support of the bill.

Kurt Gallenger, of the MI Insurance Coalition, spoke in opposition to the bill

Jim Veach returned to the testimony stand to offer additional clarification and comments.

Being no further testimony, Senator Allen then made a motion to report the S-3 version of Senate Bill 1174 with the committee's favorable recommendation. Support was offered by Senator Hunter and the motion passed by a vote of 4 to 0 as follows:

**Report the S-3 version of SB 1174 with favorable recommendation:**

Yeas: Senators Richardville, Allen, Gilbert, and Hunter

Nays: None

A motion to recommend immediate effect was offered by Senator Allen. Support for the motion was offered by Senator Hunter and the motion passed by a vote of 4 to 0 as follows:

**Recommend immediate effect for the S-3 version of SB 1174:**

Yeas: Senators Richardville, Allen, Gilbert, and Hunter

Nays: None

Being no further business, the Chair adjourned the meeting at 2:50 p.m.