

**No. 65**  
**STATE OF MICHIGAN**  
**Journal of the Senate**  
**97th Legislature**  
**REGULAR SESSION OF 2013**

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Senate Chamber, Lansing, Tuesday, August 27, 2013.

12:00 noon.

The Senate was called to order by the President, Lieutenant Governor Brian N. Calley.

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

Ananich—present  
Anderson—present  
Bieda—present  
Booher—present  
Brandenburg—present  
Casperson—present  
Caswell—present  
Colbeck—present  
Emmons—present  
Green—present  
Gregory—present  
Hansen—present  
Hildenbrand—present

Hood—present  
Hopgood—present  
Hune—present  
Hunter—present  
Jansen—present  
Johnson—present  
Jones—present  
Kahn—present  
Kowall—present  
Marleau—present  
Meekhof—present  
Moolenaar—present  
Nofs—present

Pappageorge—present  
Pavlov—present  
Proos—present  
Richardville—present  
Robertson—present  
Rocca—present  
Schuitmaker—present  
Smith—present  
Walker—present  
Warren—present  
Whitmer—present  
Young—present

Pastor CJ Ransdell of Faith Lutheran Church of Port Huron offered the following invocation:

Almighty God, to You be all praise, honor, and glory. All that we have comes from You and is a gift from You. You give us everything that we need to support our bodies and lives. From You we have our bodies and sense, clothing, food, families, and all that is ours.

You bless us with one another as we live life together in this great state. For all this, receive our thanks and praise. You allow us to live in a place where we are free, and we know this precious freedom comes at great cost. So we thank You for the many men and women who have given their lives so that we might enjoy the freedoms that we have today.

Thank you for all those who serve in our state and communities. Thank You for all those who make sacrifices on our behalf. Thank You for our leaders and especially for the members of this Senate. I pray Your blessing and guidance upon all of them as they begin their session today. Pour out Your Spirit upon them, so that they may be high in purpose, wise in counsel, firm in good resolution, and unwavering in duty.

Grant them courage and steadfastness, that by Your leading they might be trustworthy leaders who defend the defenseless, thwart the wicked, exercise their authority responsibly, and make wise decisions, so that all citizens of this state might be served through them; and that through their leadership, justice, and peace, we would be strong in our lives together.

We know that Your will is done even without our prayer, but we ask today that it would be done here as well. O Lord, in Your mercy, hear our prayer. Amen.

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

### Motions and Communications

Senator Hopgood moved that Senator Johnson be temporarily excused from today's session.  
The motion prevailed.

The following communications were received and read:  
Office of the Auditor General

July 31, 2013

Enclosed is a copy of the following audit report:

Follow-up of the performance audit of the Health Insurance Cost Avoidance and Recovery Section, Medical Services Administration, Department of Community Health.

August 7, 2013

Enclosed is a copy of the following audit report:

Performance audit of the Weights and Measures Program, Consumer Protection Section, Laboratory Division, Michigan Department of Agriculture and Rural Development.

August 13, 2013

Enclosed is a copy of the following audit report:

Financial audit of the Emergency 9-1-1 Fund, Michigan Department of State Police and Department of Treasury, for the fiscal years ended September 30, 2012 and September 30, 2011.

August 20, 2013

Enclosed is a copy of the following audit report:

Performance audit of the Alger Correctional Facility, Department of Corrections.

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

The audit reports were referred to the Committee on Government Operations.

The following communication was received:  
Department of State

June 3, 2013

Pursuant to the provisions of the Campaign Finance Act, 1976 PA 388, as amended, MCL 169.201 et seq. (the "Act"), the various dollar figures specified in section 46 have been reviewed in light of the changes in the Consumer Price Index compiled

by the United States Department of Labor and the number of registered voters in the state. By this letter I am transmitting the results of that review in accordance with the provisions of section 46. These figures are not recommendations for legislative changes.

The Consumer Price Index for August 2012 was 217.1, which represents an increase in prices of 5.70% since August of 2010. Since October of 2010 there has been a 2.45% increase in the number of registered voters in the state from 7,276,237 to 7,454,553.

The first column of figures (Current) is the dollar amounts included in current law. The second column (CPI) reflects the current amounts as adjusted by the Consumer Price Index. The third column (CPI and Voters) is adjusted to show the change in the number of registered voters as well as the change in the CPI.

Sincerely,  
Ruth Johnson  
Secretary of State

The communication was referred to the Secretary for record.

The following communications were received:  
Department of State

Administrative Rules  
Notices of Filing

June 5, 2013

In accordance with the provisions of Section 46(1) of Act 306, Public Acts of 1969, as amended, and Executive Order 1995-6, this is to advise you that the Michigan Department of Licensing and Regulatory Affairs and the State Office of Regulatory Reinvention filed Administrative Rule #2013-006-LR (Secretary of State Filing #13-06-04) on this date at 4:35 p.m. for the Department of Licensing and Regulatory Affairs, entitled "CS Part 30. Telecommunications."

These rules become effective immediately upon filing with the Secretary of State unless adopted under section 33, 44, or 45a(6) of 1969 PA 306. Rules adopted under these sections become effective 7 days after filing with the Secretary of State.

June 18, 2013

In accordance with the provisions of MCL 24.248, this is to advise you that the Department of Licensing and Regulatory Affairs, State Office of Regulatory Reinvention filed at 3:26 p.m. on this date, administrative rule (13-06-11E) for the Department of Treasury, entitled "Board of Pharmacy - Controlled Substance."

This is just an Emergency Rule Extension. Rules shall remain effective for an additional 6 months, expiring January 9, 2014, pursuant to Section 48(2) of 1969 PA 306, as amended, MCL 24.248(2).

June 21, 2013

In accordance with the provisions of Section 46(1) of Act 306, Public Acts of 1969, as amended, and Executive Order 1995-6, this is to advise you that the Michigan Department of Licensing and Regulatory Affairs and the State Office of Regulatory Reinvention filed Administrative Rule #2012-008-LR (Secretary of State Filing #13-06-12) on this date at 3:31 p.m. for the Department of Licensing and Regulatory Affairs, entitled "Survey and Remonumentation Commission - General Rules."

These rules take effect immediately after filing with the Secretary of State.

June 21, 2013

In accordance with the provisions of Section 46(1) of Act 306, Public Acts of 1969, as amended, and Executive Order 1995-6, this is to advise you that the Michigan Department of Licensing and Regulatory Affairs and the State Office of Regulatory Reinvention filed Administrative Rule #2012-117-LR (Secretary of State Filing #13-06-13) on this date at 3:33 p.m. for the Department of Licensing and Regulatory Affairs, entitled "Accounting."

These rules become effective immediately upon filing with the Secretary of State unless adopted under section 33, 44, or 45a(6) of 1969 PA 306. Rules adopted under these sections become effective 7 days after filing with the Secretary of State.

July 5, 2013

In accordance with the provisions of Section 46(1) of Act 306, Public Acts of 1969, as amended, and Executive Order 1995-6, this is to advise you that the Michigan Department of Licensing and Regulatory Affairs and the State Office of Regulatory Reinvention filed Administrative Rule #2010-045-HS (Secretary of State Filing #13-07-01) on this date at 4:13 p.m. for the Department of Human Services, entitled "Licensing Rules for Child Care Centers."

These rules take effect 180 days after filing with the Secretary of State unless adopted under section 33, 44, 45a(6), or 48 of 1969 PA 306. Rules adopted under these sections become effective 7 days after filing with the Secretary of State.

Sincerely  
Ruth Johnson  
Secretary of State  
Robin L. Houston, Departmental Supervisor  
Office of the Great Seal

The communications were referred to the Secretary for record.

The following communication was received:  
Utility Consumer Participation Board

August 6, 2013

In accordance with Public Act 304 of 1982, the attached 2012 Annual Report for the Michigan Utility Consumer Representation Fund (UCRF) is transmitted to the Legislature. This report reflects the activities and results of the UCRF grant program administered by the Utility Consumer Participation Board (UCPB).

The UCRF provides grants to qualified organizations that represent the interests of Michigan’s residential energy utility customers in gas cost and power supply cost recovery proceedings before the Michigan Public Service Commission. The benefits achieved, relative to the costs of the program to residential customers, demonstrate the continued importance of the UCRF grant program.

In 2012, UCRF funds helped Michigan citizen advocates achieve, directly and in collaboration with other parties, significant benefits for residential utility customers throughout the State of Michigan. Major areas of impact included reduction of coal plant capital costs and expenses, changes in Gas Fixed Price Purchasing (FPP) programs, affiliate transactions, advocacy on transmission issues, Power Supply Cost Recovery (PSCR) plan and reconciliation adjustments and influence over capacity market auction design.

Among the measurable benefits of grantee funded intervention were disallowances, savings and credits of \$50.3 million and reduced rate increases of \$133.22 million.

The Office of Attorney General also receives UCRF funding to intervene in Act 304 proceedings on behalf of the utility ratepayers of Michigan. The Attorney General’s Office submits its P.A. 304 Annual Report under separate cover.

Sincerely,  
James MacInnes, P.E.  
Chairman

The communication was referred to the Secretary for record.

The Secretary announced that the following bills and joint resolutions were printed and filed on Wednesday, July 31, and are available at the Michigan Legislature website:

<b>Senate Bill Nos.</b>	<b>449</b>	<b>450</b>	<b>451</b>	<b>452</b>	<b>453</b>	<b>454</b>	<b>455</b>	<b>456</b>	<b>457</b>	<b>458</b>	<b>459</b>	<b>460</b>	<b>461</b>
<b>Senate Joint Resolutions</b>		<b>Y</b>	<b>Z</b>										

The Secretary announced that the following bills were printed and filed on Friday, August 2, and are available at the Michigan Legislature website:

<b>House Bill Nos.</b>	<b>4918</b>	<b>4919</b>	<b>4920</b>	<b>4921</b>	<b>4922</b>	<b>4923</b>	<b>4924</b>	<b>4925</b>	<b>4926</b>
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Senator Meekhof moved that rule 2.106 be suspended to allow committees to meet during Senate session. The motion prevailed, a majority of the members serving voting therefor.

**Messages from the Governor**

The following messages from the Governor were received and read:

August 1, 2013

I respectfully submit to the Senate the following appointment to office:

**Michigan Women’s Commission**

Kathleen B. Vogelsang of 554 Roundtree N.E., Ada, Michigan 49301, county of Kent, succeeding Donna Budnick, is appointed for a term expiring July 15, 2016.

August 6, 2013

I respectfully submit to the Senate the following appointment to office.

**Central Michigan University Board of Control**

Patricia E. Mooradian of 950 Satterlee Road, Bloomfield Hills, Michigan 48304, county of Oakland, succeeding Patricia Maryland, is appointed for a term expiring December 31, 2018.

August 6, 2013

I respectfully submit to the Senate the following appointments to office:

**Michigan Public School Employees Retirement System Board**

Scott M. Koenigsnecht of 4334 North Wacousta Road, Fowler, Michigan 48835, county of Clinton, representing school superintendents, succeeding himself, is reappointed for a term expiring March 30, 2017.

Mike Engle of 1840 Ottawa Trail, Hastings, Michigan 49058, county of Barry, representing classroom teachers, succeeding Jonathan Fielbrandt, is appointed for a term expiring March 30, 2017.

Christine Veld of 5944 Leon Drive, Scotts, Michigan 49088, county of Kalamazoo, representing retired non-certified educational support positions, succeeding Diana Osborn, is appointed for a term expiring March 30, 2017.

August 6, 2013

I respectfully submit to the Senate the following appointment to office:

**State Employees' Retirement Board**

Ronald C. Jones of 6093 Oakpark Trail, Haslett, Michigan 48840, county of Ingham, representing a retiree member of the retirement system, succeeding Douglas C. Drake, is appointed for a term expiring July 31, 2016.

August 8, 2013

I respectfully submit to the Senate the following appointments to office:

**Michigan Developmental Disabilities Council**

Marlowe S. Franklin of 267 Waxwing Drive, Traverse City, Michigan 49696, county of Grand Traverse, representing parents or guardians of a child with developmental disabilities, succeeding herself, is reappointed for a term expiring September 30, 2016.

Susan A. Liebetreu of 2781 Courville Drive, Bloomfield, Michigan 48302, county of Oakland, representing the Michigan Department of Education, succeeding herself, is reappointed for a term expiring September 30, 2016.

David T. Verseput of 2305 Thornwood Drive, Holt, Michigan 48842, county of Ingham, representing the Department of Community Health, succeeding himself, is reappointed for a term expiring September 30, 2016.

Jeremiah J. Prusi of 316 Pine Street, Apt. 614, Marquette, Michigan 49855, county of Marquette, representing individuals with developmental disabilities, filling a vacancy, is appointed for a term expiring September 30, 2016.

David J. Taylor of 3220 McDowell Street, Ferndale, Michigan 48220, county of Oakland, representing individuals with developmental disabilities, succeeding Andre Robinson, is appointed for a term expiring September 30, 2016.

Richard Suhrheinrich of 2601 Robins Way, Okemos, Michigan 48864, county of Ingham, representing parents or guardians of a child with developmental disabilities, succeeding Vera Graham, is appointed for a term expiring September 30, 2016.

Jill Barker of 2620 Hickory Road, Ann Arbor, Michigan 48103, county of Washtenaw, representing parents or guardians of a child with developmental disabilities, filling a vacancy, is appointed for a term expiring September 30, 2016.

Justin P. Caine of 2326 Alpha Street, Lansing, Michigan 48910, county of Ingham, representing individuals with developmental disabilities, succeeding Sheryl Kuenzer, is appointed for a term expiring September 30, 2016.

Lori A. Campbell of 820 N. Meridian Road, Mason, Michigan 48854, county of Ingham, representing immediate family of an individual with a developmental disability, filling a vacancy, is appointed for a term expiring September 30, 2016.

Debra Huntley of 6543 Brook Trail, Lansing, Michigan 48917, county of Ingham, representing the Department of Human Services, succeeding Lural Baltimore, is appointed for a term expiring September 30, 2016.

Melanie Brown of 14300 Manhattan Street, Oak Park, Michigan 48237, county of Oakland, representing the Department of Licensing and Regulatory Affairs, filling a vacancy, is appointed for a term expiring September 30, 2016.

August 8, 2013

I respectfully submit to the Senate the following appointments to office:

**Michigan Travel Commission**

Christian W. Overland of 119 S. Washington Street, Ypsilanti, Michigan 48197, county of Washtenaw, succeeding Patricia Mooradian, is appointed for a term expiring August 20, 2017.

Stephen M. Kircher of 1280 North Shore Drive, Walloon Lake, Michigan 49796, county of Charlevoix, succeeding Frank Ettawageshik, is appointed for a term expiring August 20, 2017.

Camille Jourden-Mark of 2915 Scenic Drive, Muskegon, Michigan 49445, county of Muskegon, succeeding Jerry Preston, is appointed for a term expiring August 20, 2017.

William A. Parlberg of 334 Queens Creek Drive, Frankenmuth, Michigan 48734, county of Saginaw, succeeding Judy Zehnder Keller, is appointed for a term expiring August 20, 2017.

August 13, 2013

I respectfully submit to the Senate the following appointments to office:

**State Board of Accountancy**

Richard G. David of 4660 Ravine Drive, Bloomfield Hills, Michigan 48301, county of Oakland, representing certified public accountants, succeeding Daniel Lord, is appointed for a term expiring June 30, 2017.

Ola M. Smith of 3346 Wickshire Lane, Kalamazoo, Michigan 49009, county of Kalamazoo, representing certified public accountants, succeeding Thomas Weirich, is appointed for a term expiring June 30, 2017.

Jennifer Kluge of 47 Weber Place, Grosse Pointe Shores, Michigan 48236, county of Macomb, representing the general public, succeeding Steve Wolock, is appointed for a term expiring June 30, 2017.

August 13, 2013

I respectfully submit to the Senate the following appointments to office:

**Health Information Technology Commission**

Mark E. Notman of 836 Gainsborough Drive, East Lansing, Michigan 48823, county of Ingham, representing schools of medicine, succeeding himself, is reappointed for a term expiring August 3, 2017.

Jim Lee of 1217 Sweetgrass Drive, Lansing, Michigan 48917, county of Ingham, representing hospitals, succeeding himself, is reappointed for a term expiring August 3, 2017.

Patricia D. Rinvelt of 2631 English Oak Drive, Ann Arbor, Michigan 48103, county of Washtenaw, representing purchasers or employers, succeeding Toshiki Masaki, is appointed for a term expiring August 3, 2017.

August 15, 2013

Please be advised of the following appointment to office:

**Natural Resources Trust Fund Board**

Erin McDonough of 214 E. Riverside Street, Williamston, Michigan 48895, county of Ingham, succeeding Robert Garner, is appointed for a term expiring October 1, 2013.

August 16, 2013

I respectfully submit to the Senate the following appointments to office:

**Michigan Compensation Appellate Commission**

Patricia L. Halm of 5521 McCourt Street, Lansing, Michigan 48911, county of Ingham, succeeding herself, is reappointed for a term expiring July 31, 2017.

Danielle M. Brown of 1424 Stonetree Drive, Troy, Michigan 48083, county of Oakland, succeeding herself, is reappointed for a term expiring July 31, 2017.

August 16, 2013

Please be advised of the following appointments to office:

**State Fire Safety Board**

David J. Henry, Jr., of 2663 Shadow Pine Drive, Fruitport, Michigan 49415, county of Muskegon, representing owners of adult foster care facilities, succeeding himself, is reappointed for a term expiring July 15, 2017.

John C. Wozniak of 6581 Bella Vista Drive, Apt. D, Rockford, Michigan 49341, county of Kent, representing flammable liquids industry, succeeding himself, is reappointed for a term expiring July 15, 2017.

William H. Mayes of 625 Burgenstock Drive, Lansing, Michigan 48917, county of Eaton, representing people who are members of a statewide association representing school board members or school administrators, succeeding himself, is reappointed for a term expiring July 15, 2017.

Greg Herman of 1337 St. Clair Highway, St. Clair, Michigan 48079, county of St. Clair, representing building trades, succeeding himself, is reappointed for a term expiring July 15, 2017.

David E. Herbel of 959 Whittier Drive, East Lansing, Michigan 48823, county of Ingham, representing nursing home industry, succeeding himself, is reappointed for a term expiring July 15, 2017.

August 16, 2013

Please be advised of the following appointments to office:

**Advisory Committee on Pain and Symptom Management**

Lisa A. Ashley of 1050 Hoffman Street, Petoskey, Michigan 49770, county of Emmet, representing the Michigan Hospice and Palliative Care Association, succeeding herself, is reappointed for a term expiring July 1, 2015.

Robert Noiva of 1531 Stony Creek Drive, Rochester, Michigan 48307, county of Oakland, representing the Oakland University William Beaumont School of Medicine, succeeding himself, is reappointed for a term expiring July 1, 2015.

Lisa K. Gigliotti of 2926 Marfitt Road, East Lansing, Michigan 48823, county of Ingham, representing chronic pain sufferers, succeeding herself, is reappointed for a term expiring July 1, 2015.

Steven E. Roskos of 935 Longfellow Drive, East Lansing, Michigan 48823, county of Ingham, representing the Michigan State University College of Human Medicine, succeeding himself, is reappointed for a term expiring July 1, 2015.

Lawrence L. Prokop of 5154 Curtice Road, Mason, Michigan 48854, county of Ingham, representing the Michigan State University College of Osteopathic Medicine, succeeding himself, is reappointed for a term expiring July 1, 2015.

Todd E. Lininger of 960 Dowling Avenue, Bloomfield, Michigan 48302, county of Oakland, representing Wayne State University, succeeding Marie Atkinson, is appointed for a term expiring July 1, 2015.

Ronald H. Bradley of 6182 Lounsbury Road, Williamston, Michigan 48895, county of Ingham, representing the Central Michigan University College of Medicine, is appointed for a term expiring July 1, 2015.

Paul E. Hilliard of 3997 Preserve Drive, Dexter, Michigan 48130, county of Dexter, representing the University of Michigan School of Medicine, succeeding Carmen Green, is appointed for a term expiring July 1, 2015.

August 19, 2013

Please be advised of the following appointments to office:

**Early Childhood Investment Corporation**

Marianne Udow-Phillips of 2280 Gale Road, Ann Arbor, Michigan 48105, county of Washtenaw, succeeding herself, is reappointed for a term expiring July 22, 2017.

Jeffrey C. Mills of 3198 Hilda Avenue, Allegan, Michigan 49010, county of Allegan, succeeding Dan DeGrow, is appointed for a term expiring July 22, 2017.

Catherine T. Dobrowsky of 826 Shepardsbush, Birmingham, Michigan 48009, county of Oakland, succeeding Deborah Dingell, is appointed for a term expiring July 22, 2017.

Reginald LaGrand of 5716 Yawger Road, Battle Creek, Michigan 49017, county of Calhoun, succeeding David Hollister, is appointed for a term expiring July 22, 2017.

August 19, 2013

Please be advised of the following appointments to office:

**City of Pontiac Receivership Transition Advisory Board**

Edward B. Koryzno, Jr., of 1110 Pearl Street, Ypsilanti, Michigan 48179, county of Washtenaw, representing the State Treasurer, is appointed for a term commencing August 19, 2013, and expiring at the pleasure of the Governor.

Robert Daddow of 5875 Wellwood Drive, Rochester, Michigan 48306, county of Oakland, representing the Director of the Department of Technology, Management, and Budget, is appointed for a term commencing August 19, 2013, and expiring at the pleasure of the Governor.

Louis H. Schimmel of 2835 Sylvan Shores, Waterford, Michigan 48328, county of Oakland, representing a member with relevant professional experience, is appointed for a term commencing August 19, 2013, and expiring at the pleasure of the Governor.

Keith E. Sawdon of 253 Sandalwood Drive, Rochester Hills, Michigan 48307, county of Oakland, representing a member with relevant professional experience, is appointed for a term commencing August 19, 2013, and expiring at the pleasure of the Governor.

In addition to the duties assigned to a Receivership Transition Advisory Board by Section 23(5) of Public Act 436 of 2012, the Local Financial Stability and Choice Act, the Pontiac Receivership Transition Advisory Board shall perform the following duties:

1. Fulfill the Board responsibilities outlined in Emergency Manager Order No. S-334.
2. Recommend amendments, modifications, repeal, or termination of Emergency Manager Order No. S-334, or any other Pontiac Emergency Manager orders, to the Treasurer of the State of Michigan. Recommended amendments, modifications, repeal, or termination of Emergency Manager orders must be approved by the Treasurer before any such modification becomes effective.
3. Conduct a formal annual evaluation of the City's operational and financial progress by identifying strengths, weaknesses, benchmarks achieved, and benchmarks not yet achieved, including a list of specific recommendations, potential resources available to assist City officials, and any other constructive feedback that informs City officials, residents, and other stakeholders concerning how the City can promote and ensure its long-term sustainability.

Finally, pursuant to Section 22(4) of the Act, I impose upon the City the following conditions which must be satisfied before it is removed from receivership, unless subsequently waived by me:

1. The implementation of financial best practices as adopted by the financial officials' association.
2. After study by the Mayor and the City Council and in consultation with the Receivership Transition Advisory Board, the City shall enact changes in the current charter through charter amendments or charter revisions that are consistent with applicable model charters and model charter amendments and in the City's best financial interests.
3. The completion by City officials of financial and managerial training to ensure that official responsibilities are properly discharged.

August 20, 2013

I respectfully submit to the Senate the following appointment to office:

**Michigan Appellate Defender Commission**

William Caprathe of 3055 Linden Park Drive, Bay City, Michigan 48706, county of Bay, Michigan Judges Association designee, succeeding John Hammond, is appointed for a term expiring May 24, 2017.

August 20, 2013

I respectfully submit to the Senate the following appointment to office:

**Michigan Board of Audiology**

Nicole Ferguson of 3 Franconian Court, Frankenmuth, Michigan 48734, county of Saginaw, representing audiologists, succeeding Lari Korpela, is appointed for a term expiring June 30, 2017.

August 20, 2013

I respectfully submit to the Senate the following appointments to office:

**Michigan Board of Counseling**

LuAnn M. Sawdey-Roberts of 3901 N. Keil Highway, Hudson, Michigan 49247, county of Lenawee, representing individuals engaged primarily in providing counseling techniques, behavior modification techniques, or preventative techniques to clients, succeeding Luellen Ramey, is appointed for a term expiring June 30, 2017.

Tracey L. Galgoci of 285 Schoolcrest Drive, Shepherd, Michigan 48883, county of Isabella, representing individuals engaged primarily in the administration of counseling services, succeeding Marion Turowski, is appointed for a term expiring June 30, 2017.

Sara M. Kruse of 104 Cambridge, Pleasant Ridge, Michigan 48069, county of Oakland, representing the general public, succeeding Ramsey Jiddou, is appointed for a term expiring June 30, 2017.

August 20, 2013

I respectfully submit to the Senate the following appointment to office:

**Manufactured Housing Commission**

Linda C. O'Brien of 3505 Emerald Park Drive, Milford, Michigan 48380, county of Oakland, representing residents of a licensed manufactured housing park, succeeding Patricia Newman, is appointed for a term expiring May 9, 2016.

August 20, 2013

I respectfully submit to the Senate the following appointment to office:

**Talent Investment Board**

Chris K. Warren of 8784 Horizon Drive, Traverse City, Michigan 49686, county of Grand Traverse, representing business in Michigan, succeeding Nancy Ayres, is appointed for a term expiring at the pleasure of the Governor.

Sincerely,  
Rick Snyder  
Governor

The appointments were referred to the Committee on Government Operations.

By unanimous consent the Senate proceeded to the order of

**General Orders**

Senator Meekhof 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 Calley, designated Senator Hildenbrand as Chairperson.

After some time spent therein, the Committee arose; and the President, Lieutenant Governor Calley, having resumed the Chair, the Committee reported back to the Senate, favorably and with a substitute therefor, the following bill:

**Senate Bill No. 389, entitled**

A bill to amend 2001 PA 181, entitled "An act to authorize the board of a school district to award high school diplomas to World War II veterans and Korean conflict veterans under certain circumstances; and to prescribe duties and responsibilities of certain state officers and officials," by amending section 1 (MCL 35.341), as amended by 2003 PA 203.

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.

By unanimous consent the Senate returned to the order of

**Third Reading of Bills**

The following bill was announced:

**House Bill No. 4132, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 9307 (MCL 324.9307), as amended by 2013 PA 45.



(This bill was passed on June 20, vote reconsidered and further consideration postponed. See Senate Journal No. 60, p. 1268.)

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. 334****Yeas—37**

Ananich	Gregory	Kahn	Richardville
Anderson	Hansen	Kowall	Robertson
Bieda	Hildenbrand	Marleau	Rocca
Booher	Hood	Meekhof	Schuitmaker
Brandenburg	Hopgood	Moolenaar	Smith
Casperson	Hune	Nofs	Walker
Caswell	Hunter	Pappageorge	Warren
Colbeck	Jansen	Pavlov	Whitmer
Emmons	Jones	Proos	Young
Green			

**Nays—0****Excused—1**

Johnson

**Not Voting—0**

In The Chair: President

The following bill was announced:

**House Bill No. 4541, entitled**

A bill to amend 2000 PA 146, entitled "Obsolete property rehabilitation act," by amending section 6 (MCL 125.2786), as amended by 2011 PA 272.

(This bill was passed on June 20, vote reconsidered and further consideration postponed. See Senate Journal No. 60, p. 1269.)

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. 335****Yeas—37**

Ananich	Gregory	Kahn	Richardville
Anderson	Hansen	Kowall	Robertson
Bieda	Hildenbrand	Marleau	Rocca
Booher	Hood	Meekhof	Schuitmaker
Brandenburg	Hopgood	Moolenaar	Smith
Casperson	Hune	Nofs	Walker
Caswell	Hunter	Pappageorge	Warren
Colbeck	Jansen	Pavlov	Whitmer
Emmons	Jones	Proos	Young
Green			

**Nays—0**

**Excused—1**

Johnson

**Not Voting—0**

In The Chair: President

By unanimous consent the Senate proceeded to the order of  
**Resolutions**

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

**Senate Resolution No. 34**

The motion prevailed.

The question was placed on the adoption of the following resolution consent calendar:

**Senate Resolution No. 79**

The resolution consent calendar was adopted.

Senator Schuitmaker offered the following resolution:

**Senate Resolution No. 79.**

A resolution recognizing August 2013 as Spinal Muscular Atrophy Awareness Month in the state of Michigan.

Whereas, Spinal muscular atrophy (SMA) kills more children than any other genetic disease; and

Whereas, SMA causes degeneration in voluntary muscle movement for those impacted by the disease, eventually affecting the ability to walk, sit, crawl, stand, breathe, eat, and even swallow; and

Whereas, One in 40 people, or nearly 10 million Americans, unknowingly carry the gene responsible for SMA; few have any known family history; and

Whereas, SMA is a pan-ethnic disease that does not discriminate based on race, ethnicity, or gender; and

Whereas, SMA does not affect the mind. Children with SMA are bright, sensitive, and playful in spite of their failing bodies; and

Whereas, Most children impacted by SMA succumb to the disease before their second birthday; and

Whereas, There is currently no treatment and no cure for SMA, but the National Institutes of Health selected SMA as the disease closest to treatment of more than 600 neurological disorders; and

Whereas, The nation's leading researchers signed a statement stressing that, with adequate resources, a viable treatment or cure is attainable in as little as five years; and

Whereas, SMA research is considered a model approach, with the potential of benefiting millions of people impacted by other diseases, including ALS/Lou Gehrig's disease, Alzheimer's, Parkinson's, Duchenne muscular dystrophy, Fragile X syndrome, and Tay-Sachs disease, among others; and

Whereas, Increased awareness of SMA will lead to increased knowledge and increased support for both disease research and families affected by the disease, hopefully leading to a cure; and

Whereas, August has been declared as National Spinal Muscular Atrophy Awareness Month in order to raise awareness and help promote research into this devastating disease; now, therefore, be it

Resolved by the Senate, That we hereby recognize the month of August 2013 as Spinal Muscular Atrophy (SMA) Awareness Month in the state of Michigan.

Senators Anderson, Bieda, Booher, Hansen, Hopgood, Jansen, Kowall, Marleau, Proos, Richardville and Rocca were named co-sponsors of the resolution.

**Introduction and Referral of Bills**

Senator Bieda introduced

**Senate Bill No. 462, entitled**

A bill to amend 1998 PA 58, entitled "Michigan liquor control code of 1998," by amending section 609 (MCL 436.1609), as amended by 2010 PA 175.

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

**Recess**

Senator Meekhof moved that the Senate recess subject to the call of the Chair. The motion prevailed, the time being 12:17 p.m.

2:38 p.m.

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

During the recess, Senator Johnson entered the Senate Chamber.

By unanimous consent the Senate returned to the order of

**General Orders**

Senator Meekhof 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 Schuitmaker, designated Senator Hildenbrand as Chairperson.

After some time spent therein, the Committee arose; and the President, Lieutenant Governor Calley, having resumed the Chair, the Committee reported back to the Senate, favorably and with a substitute therefor, the following bill:

**Senate Bill No. 459, entitled**

A bill to ensure access to quality health care and the availability of qualified health plans in this state without expanding government assistance programs; to promote the availability and affordability of health care coverage in this state; to create a mechanism for residents of this state to secure essential health benefits; to establish a regulatory program for a private marketplace and data interface; to create a fund; to provide for the powers and duties of certain state and local governmental officers and entities; and to allow for the promulgation of rules.

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. 460, entitled**

A bill to amend 1939 PA 280, entitled "The social welfare act," (MCL 400.1 to 400.119b) by adding section 105c.

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. 422, entitled**

A bill to create a low-income health plan; to create a low-income health plan trust fund; to provide for the powers and duties of certain state and local governmental officers and entities; to allow for the promulgation of rules; to promote the availability and affordability of health coverage in this state; and to repeal acts and parts of acts.

Substitute (S-1).

The following is the amendment to the substitute recommended by the Committee of the Whole:

1. Amend page 9, following line 5, by inserting:

"Sec. 18. The department shall request a determination from the appropriate federal agency as to whether an employer that has 50 or more employees and that is subject to a penalty under the federal act may, in lieu of paying the penalty, purchase a catastrophic-only health benefit plan for an employee who attempts to purchase a health benefit plan offered through an exchange. If the federal agency approves the proposal described in this section, the department shall implement and administer a program to facilitate the purchase of a catastrophic-only health benefit plan by an employer described in this section."

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 Meekhof 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. 422**

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

The following bill was read a third time:

**Senate Bill No. 422, entitled**

A bill to create a low-income health plan; to create a low-income health plan trust fund; to provide for the powers and duties of certain state and local governmental officers and entities; to allow for the promulgation of rules; to promote the availability and affordability of health coverage in this state; and to repeal acts and parts of acts.

The question being on the passage of the bill,

The bill was defeated, a majority of the members serving not voting therefor, as follows:

**Roll Call No. 336**

**Yeas—9**

Booher  
Casperson  
Caswell

Hildenbrand  
Jansen

Meekhof  
Nofs

Pappageorge  
Robertson

**Nays—29**

Ananich  
Anderson  
Bieda  
Brandenburg  
Colbeck  
Emmons  
Green  
Gregory

Hansen  
Hood  
Hopgood  
Hune  
Hunter  
Johnson  
Jones

Kahn  
Kowall  
Marleau  
Moolenaar  
Pavlov  
Proos  
Richardville

Rocca  
Schuitmaker  
Smith  
Walker  
Warren  
Whitmer  
Young

**Excused—0**

**Not Voting—0**

In The Chair: President

**Recess**

Senator Meekhof moved that the Senate recess subject to the call of the Chair.  
The motion prevailed, the time being 2:55 p.m.

4:44 p.m.

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

By unanimous consent the Senate returned to the order of  
**General Orders**

Senator Meekhof 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 Calley, designated Senator Hildenbrand as Chairperson.

After some time spent therein, the Committee arose; and the President, Lieutenant Governor Calley, having resumed the Chair, the Committee reported back to the Senate, favorably and with a substitute therefor, the following bill:

**House Bill No. 4714, entitled**

A bill to amend 1939 PA 280, entitled "The social welfare act," by amending sections 105, 105a, 106, 107, 108, and 109c (MCL 400.105, 400.105a, 400.106, 400.107, 400.108, and 400.109c), section 105 as amended by 1980 PA 321, section 105a as added by 1988 PA 438, sections 106 and 107 as amended by 2006 PA 144, and section 109c as amended by 1994 PA 302, and by adding sections 105c and 105d.

Substitute (S-9).

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.

By unanimous consent the Senate returned to the order of  
**Third Reading of Bills**

Senator Meekhof 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:

**House Bill No. 4714**

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

The following bill was read a third time:

**House Bill No. 4714, entitled**

A bill to amend 1939 PA 280, entitled "The social welfare act," by amending sections 105, 105a, 106, 107, 108, and 109c (MCL 400.105, 400.105a, 400.106, 400.107, 400.108, and 400.109c), section 105 as amended by 1980 PA 321, section 105a as added by 1988 PA 438, sections 106 and 107 as amended by 2006 PA 144, and section 109c as amended by 1994 PA 302, and by adding sections 105c, 105d, 105e, and 105f.

The question being on the passage of the bill,

Senator Colbeck offered the following amendments:

1. Amend page 21, line 9, after "MATCH." by striking out the balance of the subdivision and inserting "STATE SAVINGS AND OTHER NONFEDERAL NET SAVINGS SHALL BE CALCULATED BY DETERMINING IF THE APPROPRIATION FOR THE MEDICAL ASSISTANCE PROGRAM AFTER THE PROGRAM DESCRIBED IN SUBSECTION (1)(A) IS LESS THAN THE APPROPRIATION FOR THE MEDICAL ASSISTANCE PROGRAM BEFORE THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION."

2. Amend page 32, line 8, after "MATCH." by striking out the balance of the subparagraph and inserting "STATE SAVINGS AND OTHER NONFEDERAL NET SAVINGS SHALL BE CALCULATED BY DETERMINING IF THE APPROPRIATION FOR THE MEDICAL ASSISTANCE PROGRAM AFTER THE PROGRAM DESCRIBED IN SUBSECTION (1)(A) IS LESS THAN THE APPROPRIATION FOR THE MEDICAL ASSISTANCE PROGRAM BEFORE THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBDIVISION."

The question being on the adoption of the amendments,

Senator Colbeck requested the yeas and nays.

The yeas and nays were ordered, 1/5 of the members present voting therefor.

The amendments were not adopted, a majority of the members serving not voting therefor, as follows:

**Roll Call No. 337**

**Yeas—17**

Booher  
 Brandenburg  
 Casperson  
 Caswell  
 Colbeck

Emmons  
 Green  
 Hildenbrand  
 Hune

Jones  
 Moolenaar  
 Nofs  
 Pappageorge

Pavlov  
 Proos  
 Robertson  
 Schuitmaker

**Nays—21**

Ananich	Hopgood	Kowall	Smith
Anderson	Hunter	Marleau	Walker
Bieda	Jansen	Meekhof	Warren
Gregory	Johnson	Richardville	Whitmer
Hansen	Kahn	Rocca	Young
Hood			

**Excused—0****Not Voting—0**

In The Chair: President

The question being on the passage of the bill,

The bill was defeated, a majority of the members serving not voting therefor, as follows:

**Roll Call No. 338****Yeas—19**

Ananich	Hood	Kowall	Walker
Anderson	Hopgood	Marleau	Warren
Bieda	Hunter	Richardville	Whitmer
Gregory	Johnson	Rocca	Young
Hansen	Kahn	Smith	

**Nays—18**

Booher	Green	Meekhof	Pavlov
Brandenburg	Hildenbrand	Moolenaar	Proos
Casperson	Hune	Nofs	Robertson
Caswell	Jansen	Pappageorge	Schuitmaker
Emmons	Jones		

**Excused—0****Not Voting—1**

Colbeck

In The Chair: President

Senator Meekhof moved to reconsider the vote by which the bill was defeated.

The motion prevailed.

### Protests

Senators Moolenaar, Schuitmaker, Robertson, Booher, Hune and Green, under their constitutional right of protest (Art. 4, Sec. 18), protested against the passage of House Bill No. 4714.

Senators Moolenaar and Green moved that the statements they made during the discussion of the bill be printed as their reasons for voting “no.”

The motion prevailed.

Senator Moolenaar’s statement, in which Senators Schuitmaker, Robertson, Booher and Hune concurred, is as follows:

I rise before you today to encourage my Senate colleagues to oppose House Bill No. 4714. As the chair of the Department of Community Health Subcommittee, I researched the issue of Medicaid expansion thoroughly. Two important questions came to mind and needed to be answered:

First, is now the time in our nation’s history to expand federal government entitlement spending? Our country sits at \$17 trillion in debt, and another debate looms about raising our nation’s debt ceiling in Washington, because, again, the federal government has maxed out its credit card.

Second, does House Bill No. 4714 truly reform Medicaid? At the end of the day, what proponents are doing here is offering their perspective on what the Department of Community Health should seek within a federal waiver. We have no guarantee the federal government will accept these recommendations, and further, this is just the opening bid in a negotiation with the Obama Administration.

A wise leader once said that the borrower is slave to the lender. Today, we have the opportunity to say no to more crushing federal debt that burdens our children and grandchildren, no to future unfunded liabilities that lead to structural deficits for Michigan, and no to the greatest expansion of government in our time.

Again, I urge my Senate colleagues to vote “no” on this legislation.

Senator Green’s statement is as follows:

Well, there’s been a lot of discussion already today, and a lot of things have been said. Let me just take a couple minutes to synopsise a few things about what my thoughts are and what everybody else has been saying. Five things are certain about the proposed Medicaid expansion:

No. 1, it’s a critical component of Obamacare. No. 2, it’s a massive expansion of a government-run insurance program. No. 3, it’s funded by billions of dollars of federal deficit spending. No. 4, it kicks the budget can down the road by obligating Michigan taxpayers with billions in future spending increases. No. 5, it does nothing to improve access to high-quality health care.

You know, I wasn’t elected from a little town named Mayville to advance a national health care agenda, to grow big government, or help contribute to an even larger national debt. I didn’t make tough choices and work hard to help balance Michigan’s budget only to pass a big spending plan like this. Yet this body is poised to do exactly that. And for what, exactly? The promise of federal funny money. Yeah, we’re back to funny money—that’s exactly what it is.

While we like to applaud out-of-the-box thinking like Edison, Ford, and Steve Jobs, the Medicaid expansion is nothing more than the same old thinking that says throw more money at the problem in the hopes it will go away.

Folks, we can do better than this. We can expand access to lower-cost, higher-quality health care for all Michigan workers and families. We can do that. There are other programs we can look at. I encourage my colleagues to reject this proposal, and support innovative alternatives before us that will leave our kids and grandkids with a truly better health care system; not bigger government and a pile of new debt.

Senators Kahn, Walker and Whitmer asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Kahn’s statement is as follows:

When the bipartisan workgroup finished the work on this bill, I gave a brief press conference about it. In general, I’ve been avoiding speaking to the press about this bill. One of my colleagues who was involved in this has similarly done that. I’d like to go over with you for a moment what was said at that press conference.

I started with a statement: “If you give me a place to stand, I can move the world.” That’s 2,000 years old; Archimedes said it. It was about a lever, and it’s relevant to this bill. The place to stand is the Medicaid expansion. Moving the world is what this bill is about—bending the cost curve of medicine. It is a national model, this bill. This legislation was initially introduced and passed by the House with 17-plus reforms, and so we renamed it the “Healthy Michigan” bill. That’s what it is; this is not Obamacare; this is not the Affordable Care Act. This is our bill, our bipartisan bill that will reform the cost of medicine throughout the state and become the model in the country.

I’d like to thank Representatives Lori and Shirkey for the work that they did on this bill. The Healthy Michigan plan relies on two federal waivers that make changes to the Medicaid program that allow us to find a path off Medicaid for

able-bodied individuals. In other words, this bill becomes a hand-up and not just a handout. The first waiver enrolls individuals and provides for an account to pay for health care services such as co-pays and contributions. It is contracted health plan-based. The second waiver limits cumulative Medicaid eligibility to 48 months for able-bodied individuals between 100 and 133 percent of poverty.

Our workgroup focused on ways to improve the legislation by identifying the reforms I have referenced. Our ultimate goal was and is and will be a healthy Michigan. It's important for us to be able to preserve Michigan's ability to opt out of expansion without penalty, should we decide to do so in the future, and this is in the bill.

In so doing, we will be able to maintain the reforms that have been placed in the bill. So our Michigan, which currently administers one of the most efficient Medicaid programs in the nation and is the model and the leader across our nation, becomes the leader again on bending the cost curve of medicine, while providing care for the sickest of our people and the neediest. It also provides jobs.

The taxes in the Affordable Care Act are billions and billions and billions of dollars. For us in Michigan, it's over \$2 billion—\$2 billion siphoned from our people. We'll now bring them back and, with that, the jobs they represent: 25,000 jobs for our people. It will bring dollars back to our budget, and those dollars as they come back will allow us to address other priorities, like what is an appropriate sales tax for automobiles? What should we be doing about roads? What should we be doing for our schools?

Those dollars will be reprogrammable by you to help our people. So I ask you to pass this bill, and I will finish with another quote, this time Winston Churchill: "This is not the end"—of health care reform. "It's not the beginning of the end. It's the end of the beginning." Within this bill are numerous tenets that will provide us the tools for reforms in the years ahead.

Senator Walker's statement is as follows:

Let me start by saying the Affordable Care Act, also known as Obamacare, is one of the worst pieces of legislation passed by our United States Congress in many years. It takes health care decisions away from our people; it penalizes those who choose not to purchase health care coverage; it places new mandates on small business owners; and it cuts funding to our local hospitals and health care providers, among other negative aspects. Although the United States House of Representatives, under Republican leadership, has voted to rescind the law, the United States Senate, under Democrat control, has chosen not to. Added to this is the United States Supreme Court decision finding that the law is constitutional. Whether we like it or not, Obamacare is here to stay, at least until we have a new President and Senate that places liberty and freedom above more government spending.

While I find all aspects of Obamacare very troubling, the one that perhaps gives me the most angst is the significant cuts to our local rural hospitals. Even before this act, many of these hospitals had to deal with millions of dollars in uncompensated care from people who had no insurance coverage and no means to pay for life-saving medical services, as the law requires that they provide treatment regardless of ability to pay. With the cuts brought about by Obamacare and continued uncompensated care costs, many of our hospitals are struggling just to keep their doors open. One of the main tenets of my campaign was to keep hospitals sound and make quality health care available to all residents. This language was included on all of my campaign literature, including brochures, website, and other material. The loss of our local hospitals would have serious detrimental consequences for all citizens, regardless of insurance coverage or ability to pay.

While Medicaid is certainly a flawed system, extending it to the uninsured citizens who are already essentially getting free health care through uncompensated care would at least provide hospitals with something to offset the cuts from the federal government. The Medicaid expansion plan also requires the newly insured to pay co-pays for medical services, provides a disincentive to using our hospital emergency rooms where currently there is none, and places limits on how long they can stay on Medicaid without paying substantially higher costs. There are also triggers in the legislation that would automatically eliminate the expanded coverage if the federal government doesn't approve the necessary waivers or reneges on funding the program. It is for these reasons that I support the legislation.

I didn't make this decision lightly. I did a significant amount of research, listened intently to both opponents of the expansion and supporters of the expansion, and talked to many hospitals, doctors, and other health care practitioners. I am hopeful that a day comes where Obamacare is no longer the law of the land. Until that time, I must ensure that we limit cost-shifting in our hospitals and that our hospitals' doors remain open. I feel this legislation was the most viable way to do so.

Senator Whitmer's statement, in which Senator Hunter concurred, is as follows:

Well, it's been a long road, and there have been a lot of turns in the road, but I thought it important to lend my voice as the Senate Democratic Leader to let people know that the Senate Democrats have been steadfast in our support, because we know that by taking the action today to expand Medicaid to state residents who are under 133 percent of the federal poverty level, we will be able to offer health care coverage for more residents while securing federal funding to pay for it. It's a benefit to every person in the state of Michigan, whether you're in that expanded Medicaid population or you're lucky enough to be one of us, who has taxpayer-funded health care, because we know we all pay for uncompensated care in this state.



In total, 323,000 Michiganders would be covered in the first year of the expansion, and an estimated 470,000 will be covered by 2021. Our uninsured population is projected to drop by about 46 percent. More than \$20 billion will flow into Michigan through 2023 by leveraging the federal funds made available through the Affordable Care Act. In addition, the state’s General Fund will see \$1.2 billion in savings through 2020, including approximately \$226 million in the next fiscal year alone. It’s good public policy, and it makes good fiscal sense.

You know, serving as the minority vice chair on the Government Operations Committee gave me the opportunity to really see what the workgroup had provided us with, and I want to compliment them: the Senator from Saginaw, who led the workgroup, the only doctor here in our chamber; my colleague from Livonia; my other colleague from Southfield; and the other members from Hillsdale, Grand Blanc, Troy, Lake Orion, and Ewart. I want to thank you for the time that you put in. I also want to mention that what you came up with, this workgroup product, is a Michigan plan. It’s a plan that’s not a cookie cutter for any other state in the nation. It’s something that was put together by Republicans and Democrats alike to make sure it was in the best interest of Michigan. It preserved the ability to opt out and maintained the reforms regardless of opting out, repeal of the ACA, or waiver rejection. There are reforms at every level—personal, provider, and state. There are studies to ensure that we continue to look for further reforms and evaluate the effectiveness of what we are about to do.

Everyone weighed in and contributed, whether it was Director Haveman, the budget director, the hospitals, business folks, the Chamber of Commerce, the Small Business Association of Michigan, providers, patients, people, and experts. People who are often on opposite sides of issues agree that this is the right way to move forward for Michigan. So what we have here is a unique Michigan product, and it has reforms that are considered the holy trinity in health care: cut cost, increase quality, and improve access. That’s why my colleagues and I are eager to cast our votes for this, and we thank you and ask that you consider doing the same.

**Recess**

Senator Meekhof moved that the Senate recess subject to the call of the Chair.  
The motion prevailed, the time being 5:25 p.m.

7:55 p.m.

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

The question being on the passage of the bill,  
Senator Casperson offered the following amendment:

1. Amend page 8, line 1, after “**TO**” by striking out “**133%**” and inserting “**250%**”.

The amendment was adopted, a majority of the members serving voting therefor.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

**Roll Call No. 339**

**Yeas—20**

Ananich	Hansen	Kahn	Smith
Anderson	Hood	Kowall	Walker
Bieda	Hopgood	Marleau	Warren
Casperson	Hunter	Richardville	Whitmer
Gregory	Johnson	Rocca	Young

**Nays—18**

Booher	Green	Meekhof	Pavlov
Brandenburg	Hildenbrand	Moolenaar	Proos
Caswell	Hune	Nofs	Robertson
Colbeck	Jansen	Pappageorge	Schuitmaker
Emmons	Jones		

**Excused—0**

**Not Voting—0**

In The Chair: President

The question being on concurring in the committee recommendation to give the bill immediate effect,  
The recommendation was not concurred in, 2/3 of the members serving not voting therefor.  
Senator Hunter requested the yeas and nays.  
The yeas and nays were ordered, 1/5 of the members present voting therefor.  
The recommendation was not concurred in, 2/3 of the members serving not voting therefor, as follows:

**Roll Call No. 340**

**Yeas—24**

Ananich	Hildenbrand	Kahn	Rocca
Anderson	Hood	Kowall	Smith
Bieda	Hopgood	Marleau	Walker
Casperson	Hunter	Meekhof	Warren
Gregory	Jansen	Pappageorge	Whitmer
Hansen	Johnson	Richardville	Young

**Nays—14**

Booher	Emmons	Moolenaar	Proos
Brandenburg	Green	Nofs	Robertson
Caswell	Hune	Pavlov	Schuitmaker
Colbeck	Jones		

**Excused—0**

**Not Voting—0**

In The Chair: President

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

“An act to protect the welfare of the people of this state; to provide general assistance, hospitalization, infirmary and medical care to poor or unfortunate persons; to provide for compliance by this state with the social security act; to provide protection, welfare and services to aged persons, dependent children, the blind, and the permanently and totally disabled; to administer programs and services for the prevention and treatment of delinquency, dependency and neglect of children; to create a state department of social services; to prescribe the powers and duties of the department; to provide for the interstate and intercounty transfer of dependents; to create county and district departments of social services; to create within certain county departments, bureaus of social aid and certain divisions and offices thereunder; to prescribe the powers and duties of the departments, bureaus and officers; to provide for appeals in certain cases; to prescribe the powers and duties of the state department with respect to county and district departments; to prescribe certain duties of certain other state departments, officers, and agencies; to make an appropriation; to prescribe penalties for the violation of the provisions of this act; and to repeal certain parts of this act on specific dates.”.

The Senate agreed to the full title.

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

The motion prevailed.

Senator Colbeck's statement is as follows:

For a federal piece of legislation, we sure are talking about Obamacare quite a bit here in the State Legislature, and I just want to review a little bit of the short history. We had a state-based exchange discussion a few years back. That was defeated. We had a discussion on state partnership exchanges—we had three separate bills that were talking about state partnership exchanges to enable Obamacare. That was defeated. We had a recent Department of Community Health budget that came through that we had the option of implementing Medicaid expansion in that budget. We didn't do so; it was defeated. So now we stand here yet another attempt to go off and help implement Obamacare here in the state of Michigan.

You know, I just want to make sure everybody understands. I know this is talked about as "Healthy Michigan," but the core of this is the expansion of Medicaid, and just for people's reference, the expansion of Medicaid is a key tenet of the Affordable Care Act. It's Section 2001 of HR 3590. It's a path to a single-payer system where nobody gets control over their health care. The government's going off and telling everybody what the prices are. They're telling everybody what they get coverage for. It's nothing short of government control of our health care decisions. The sad part is that the health care they are providing, especially in the context of Medicaid, is by many peer-reviewed measures not good, quality care.

Time after time, study after study, we've demonstrated that the care that's provided under Medicaid produces no better healthy outcomes than the care received by people without insurance at all, and now we're propagating this; we're putting that on steroids. We're spending a lot of money to get poor health outcomes. Bottom line, what we're proposing on doing with Medicaid expansion is that we're creating higher cost of health care for some—for many—and we're using that higher cost and the taxes associated with that to subsidize the cost for a few. It's redistribution of wealth.

Where that wealth is distributed, well, there's a case here to say that we want to make sure we see our fair share. If we don't do that, we're going to be a donor state, and we're not going to get the money that the federal government is already collecting and spending in our taxes. Well, there are quite a few taxes associated with Obamacare. That's one of the areas we don't have control over. We do have control over whether or not we expand Medicaid, but we don't have control over the fact that the federal government's taking these taxes. But the net result of these taxes is that we're being told that by spending a billion and a half dollars more of your tax dollars—which, by the way, we're borrowing; we don't have that money in the federal government. They're actually taking that money away from Medicare and using the Medicare savings of \$716 billion in Medicare cuts to go off and pay for the expansion. They're using that money to pay for this expansion of \$1.5 billion. I find that morally reprehensible.

But anyway, we've got this \$1.5 billion, and the bottom line is we're spending more money. Our budget next year for the state is going to be higher than it was the previous year when it comes to Medicaid spending. That, for me, is an increase in spending. That's not a savings, folks. I want to highlight, too, that that increase in spending and any savings that are devoted from that to the state disappear after four or five years. And that's just assuming that the actuarial assumptions associated with that actually hold true. Come year five, we start on this nice little downward trend where we risk higher and higher debt levels for our kids, and that's who really suffers from this expansion bill right now. We're spending money we do not have, and we're racking up debts so that we're forcing decisions right now onto our youth, because of the decision we're making now for political convenience. I got to tell you, folks, I find that disheartening. We should be respecting our youth.

I also want to point out that hitching our wagon to this Obamacare train is a very high-risk venture. I can't tell you how many of these milestones have been slipping. First, we were supposed to have everything operational. All the employers were all supposed to be active, as of this open enrollment period starting October of this year. Well, now that's been postponed for a year. Now the only people stuck are about 20 percent of the population that this is intended to help, and that's the individuals because they don't have a big lobbying group to lobby for them. That's we the people, folks. Odds are that's going to be delayed as well once we get into that credit card discussion that my good colleague from Midland talked about.

I want to also highlight that I've been talking to employers for quite a while, and one of the biggest impediments to them hiring new employees or expanding their business or coming to Michigan to expand their business is health care costs. As our health care costs are going up so that we can subsidize and provide free health care for a few, that discourages job growth. Employers in our state right now are moving employees from full-time occupations down to part-time. The folks that are on part-time are having their hours cut from 40 hours to below 30 hours. More people are going to be put into this expansion population because of Obamacare. So every single time that we say that we're covering the 400,000 or 500,000 people—when they deploy this in other states, it's been three times the original estimate—for us that means 30 percent of our population is going to be on Medicaid, and 70 percent are going to be paying for that 30 percent. This is hitching our train to a bill that has not been able to get out of the starting blocks. As a matter of fact, they're even using a private exchange to help them implement this federal exchange. Ehealthinsurance.com was put in place because they couldn't figure out how to convert their 20,000 pages of regulations for Obamacare into something that works.

I've been an IT project manager for quite a while, a lot of projects inside the health care industry. I'm telling you, I used to work on space stations, and we never had a 20,000-page spec on space stations. There's no way they're going to implement this in the time frame that's been specified. I don't know if they really intend to truly implement it, and yet we're hitching our wagon to something that already, in the words of Democratic Senators Max Baucus and Harry Reid, is headed for a train wreck on its implementation. Yet we're proposing on hitching a ride on this train wreck. It's just unconscionable to me.

Then we talk about uncompensated care and we're trying to fix that problem. Just to put this in context, we had Avik Roy from the Manhattan Institute of Policy Research, an expert at Forbes.com, talking about uncompensated care. You know how much of hospital business comes in to uncompensated care? Zero point 67 percent, and yet this is what we're saying is driving the need for this; that we've got this uncompensated care. I don't know if you guys have seen lately, but if you're looking for construction cranes, you don't see them around businesses and manufacturing plants as much as you see them around hospitals.

Really, what we're ending up doing here is we're converting this uncompensated care for undercompensated care, folks. This isn't fully compensated care; it's still 47 cents on the dollar. This population sees the ER three times more frequently than the uninsured or commercially-insured population, yet we're being told that this is going to take care of things for us.

The second to last thing I want to talk about is that this promotes this problem that we have with a third-party payment model. My bills actually attempt to correct this. Part of the reason why we have escalating costs here in health care is that we don't even see what we're paying for when we go to the doctor. We don't see what we're paying for when we go to the hospital. There's very, very little price transparency. In the industries in health care where we do have price transparency, things like plastic surgery, what's happening? Quality is going up; costs are going down. This is a bad deal, folks.

The last point I wanted to make is that ultimately this, in the words of my colleague here, is promoting big government. Billions and billions and billions of dollars for big government are being promoted with the adoption of this bill. That's billions and billions of dollars that are being taken away from you and I and all of our citizens and constituents and being put into one sector. This is picking winners and losers, folks.

So, in closing, when I campaigned for office, one of my planks was that I was pushing for effective health care systems. I'm one of those rare breeds that actually read all 1,017 pages of HR 3200, which was the pre-kickback version of Obamacare, which is HR 3590. This is bad news, folks. When it comes down to it, this bill and all those bills associated with hitching our ride to Obamacare are more about control than they are about care. I want to recall the words of Congressman Dingell, one of the architects of Obamacare, when he talked about the rationale for delaying the implementation of Obamacare and what the reason was why we were going to wait four years before we kicked it off and started implementing this bill and the benefits of this bill. He said that it would take that long to put in the necessary administrative procedures necessary to control the people. Well, I'm here to tell you, folks, it's supposed to be the other way around. It's supposed to be the people controlling government, not the other way around, and it's about time we started acting like that.

I urge a very strong "no" vote to House Bill No. 4714.

By unanimous consent the Senate returned to the order of

### **Motions and Communications**

Senator Meekhof moved that when the Senate adjourns today, it stand adjourned until Tuesday, September 3, at 12:00 noon. The motion prevailed.

### **Committee Reports**

#### COMMITTEE ATTENDANCE REPORT

The Committee on Economic Development submitted the following:

Meeting held on Thursday, August 15, 2013, at 8:30 a.m., Escanaba City Hall Chambers, 410 Ludington Street, Escanaba

Present: Senators Kowall (C), Smith and Ananich

Absent: Senators Hildenbrand, Nofs, Emmons and Hansen

#### COMMITTEE ATTENDANCE REPORT

The Committee on Judiciary submitted the following:

Joint meeting held on Tuesday, August 27, 2013, at 9:00 a.m., Room 519, South Tower, House Office Building

Present: Senators Jones (C), Schuitmaker and Bieda

Absent: Senator Rocca

**Scheduled Meetings**

**Appropriations -**

**Subcommittee -**

**State Police and Military Affairs and House State Police Appropriations Subcommittee and House Military and Veterans Affairs Appropriations Subcommittee - Wednesday, September 4, 3:00 p.m., Rooms 402 and 403, Capitol Building (373-2768)**

**Michigan Law Revision Commission - Tuesday, September 24, 12:00 noon, Room 405, Capitol Building (373-0212)**

**Senate Fiscal Agency Board of Governors - Thursday, September 19, 9:00 a.m., Room S-324, Capitol Building (373-2768)**

Senator Meekhof moved that the Senate adjourn.  
The motion prevailed, the time being 8:05 p.m.

In pursuance of the order previously made, the President, Lieutenant Governor Calley, declared the Senate adjourned until Tuesday, September 3, 2013, at 12:00 noon.

CAROL MOREY VIVENTI  
Secretary of the Senate

