

**No. 92**  
**STATE OF MICHIGAN**  
**Journal of the Senate**  
**94th Legislature**  
**REGULAR SESSION OF 2007**

---

---

Senate Chamber, Lansing, Sunday, September 23, 2007.

5:00 p.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  
Anderson—present  
Barcia—present  
Basham—present  
Birkholz—present  
Bishop—present  
Brater—present  
Brown—present  
Cassis—present  
Cherry—present  
Clark-Coleman—present  
Clarke—present  
Cropsey—present

Garcia—present  
George—present  
Gilbert—present  
Gleason—present  
Hardiman—present  
Hunter—present  
Jacobs—present  
Jansen—present  
Jelinek—present  
Kahn—present  
Kuipers—present  
McManus—present  
Olshove—present

Pappageorge—present  
Patterson—present  
Prusi—present  
Richardville—present  
Sanborn—present  
Schauer—present  
Scott—present  
Stamas—present  
Switalski—present  
Thomas—present  
Van Woerkom—present  
Whitmer—present

Senator Thomas M. George of the 20th District offered the following invocation:

“Let us be united;  
 Let us speak in harmony;  
 Let our minds apprehend alike.  
 Common be our prayer,  
 Common be the end of our assembly;  
 Common be our resolution;  
 Common be our deliberations.  
 Alike be our feelings;  
 Unified be our hearts;  
 Common be our intentions;  
 Perfect be our unity.”  
 Amen.

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

### Motions and Communications

Senators Bishop and Barcia entered the Senate Chamber.

The following communication was received and read:  
 Office of the Auditor General

September 20, 2007

Enclosed is a copy of the following audit report:  
 Follow-up of the performance audit of the Michigan Educational Assessment Program, Department of Education and Department of Treasury.

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

The audit report was referred to the Committee on Government Operations and Reform.

The following communications were received:  
 Department of State

### Administrative Rules Notices of Filing

September 18, 2007

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 Labor & Economic Growth, State Office of Administrative Hearings and Rules filed at 4:40 p.m. this date, administrative rule (07-09-02) for the Department of Community Health, Bureau of Epidemiology, entitled “*Reporting of Non-Suicidal, Non-Medicinal Chemical Poisonings*.” These rules become effective immediately upon filing with the Secretary of State unless adopted under sections 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.

September 18, 2007

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 Labor & Economic Growth, State Office of Administrative Hearings and Rules filed at 4:42 p.m. this date, administrative rule (07-09-03) for the Department of Labor and Economic Growth, Workers’ Compensation Appellate Commission, entitled “*Administrative Appellate Procedure*.” These rules become effective immediately upon filing with the Secretary of State unless adopted under sections 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.

September 18, 2007

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 Labor & Economic Growth, State Office of Administrative Hearings and Rules filed at 4:44 p.m. this date, administrative rule (07-09-04) for the Department of State Police, Traffic Safety Division, entitled "*Tests for Breath Alcohol.*" These rules become effective immediately upon filing with the Secretary of State unless adopted under sections 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.

Sincerely,  
Terri Lynn Land  
Secretary of State  
Robin Houston, Office Supervisor  
Office of the Great Seal

The communications were referred to the Secretary for record.

The Secretary announced that the following House bills were received in the Senate and filed on Sunday, September 23:  
**House Bill Nos. 4668 4842 4865 4866 5217 5242**

The Secretary announced that the following official bills were printed on Thursday, September 20, and are available at the legislative website:

**Senate Bill Nos. 784 785 786 787 788 789**  
**House Bill Nos. 5244 5245 5246 5247 5248 5250 5251 5257 5258**

The Secretary announced that the following official bills were printed on Friday, September 21, and are available at the legislative website:

**Senate Bill Nos. 794 795 796 797 798**  
**House Bill Nos. 5259 5260**

### Recess

Senator Cropsey moved that the Senate recess subject to the call of the Chair.  
The motion prevailed, the time being 5:04 p.m.

6:25 p.m.

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

During the recess, Senators Scott, Pappageorge, Garcia, Sanborn, Schauer, Hunter, Birkholz and Clarke entered the Senate Chamber.

The following communication was received and read:  
Office of the Senate Majority Leader

September 23, 2007

Pursuant to Senate Rule 2.104(g), I respectfully request that the Senate Families and Human Services Committee and the Appropriations Subcommittee on the Department of Human Services hold a hearing on the Auditor General's report on the financial audit, including the provisions of the Single Audit Act, of the Department of Human Services for the period of October 1, 2004 through September 30, 2006.

Respectfully yours,  
Senator Michael D. Bishop, Chairman  
Government Operations and Reform Committee

The communication was referred to the Secretary for record.

Senator Cropsey moved that the Committee on Judiciary be discharged from further consideration of the following bill:  
**Senate Bill No. 622, entitled**

A bill to amend 1974 PA 258, entitled "Mental health code," by amending section 1003 (MCL 330.2003), as amended by 1993 PA 252.

The motion prevailed, a majority of the members serving voting therefor, and the bill was placed on the order of General Orders.

Senator Cropsey moved that the Committee on Education be discharged from further consideration of the following bill:  
**House Bill No. 4799, entitled**

A bill to amend 1980 PA 300, entitled "The public school employees retirement act of 1979," by amending section 61 (MCL 38.1361), as amended by 2006 PA 158.

The motion prevailed, a majority of the members serving voting therefor, and the bill was placed on the order of General Orders.

Senator Cropsey moved that the Committee on Appropriations be discharged from further consideration of the following bills:

**Senate Bill No. 511, entitled**

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2007; and to provide for the expenditure of the appropriations.

**Senate Bill No. 237, entitled**

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 11 and 17b (MCL 388.1611 and 388.1617b), as amended by 2006 PA 342.

The motion prevailed, a majority of the members serving voting therefor, and the bills were placed on the order of General Orders.

Senator Cropsey moved that the rules be suspended and that the following bills, now on the order of General Orders, be placed on the General Orders calendar for consideration today:

**Senate Bill No. 237**

**Senate Bill No. 511**

**Senate Bill No. 622**

**House Bill No. 4799**

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

By unanimous consent the Senate proceeded to the order of

**General Orders**

Senator Cropsey 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:

**Senate Bill No. 622, entitled**

A bill to amend 1974 PA 258, entitled "Mental health code," by amending section 1003 (MCL 330.2003), as amended by 1993 PA 252.

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 amendments, the following bill:

**House Bill No. 4799, entitled**

A bill to amend 1980 PA 300, entitled "The public school employees retirement act of 1979," by amending section 61 (MCL 38.1361), as amended by 2006 PA 158.

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

1. Amend page 1, line 6, by striking out all of line 6 through "PARTIES" on line 8 and inserting "OR IS HIRED AS AN INDEPENDENT CONTRACTOR BY A REPORTING UNIT".

2. Amend page 2, line 16, after "(b)" by striking out the balance of the line through "THE" on line 17 and inserting "The".

3. Amend page 2, line 25, by striking out all of line 25 through line 3 of page 3 and inserting:

"(C) THE RETIRANT SHALL CERTIFY THAT THE HOSPITAL, MEDICAL-SURGICAL, AND SICK CARE BENEFITS PLAN, DENTAL PLAN, VISION PLAN, AND HEARING PLAN, AS APPLICABLE, THAT COVERS RETIRANTS, RETIREMENT ALLOWANCE BENEFICIARIES, AND HEALTH INSURANCE DEPENDENTS CONTAINS A COORDINATION OF BENEFITS PROVISION SO THAT THE PLAN IS COORDINATED WITH ALL OTHER PLANS AVAILABLE TO THE RETIRANT UNDER SECTION 91." and renumbering the remaining subsection.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:  
**Senate Bill No. 511, entitled**

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2007; and to provide for the expenditure of the appropriations.

Substitute (S-1).

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

1. Amend page 52, following line 25, by inserting:  
     “Multicultural services ..... 5,163,800”.
2. Amend page 642, line 9, by striking out “514,600” and inserting “886,000”.
3. Amend page 642, line 10, by striking out “425,400” and inserting “732,400”.
4. Amend page 642, line 11, by striking out “195,400” and inserting “336,300”.
5. Amend page 642, line 12, by striking out “270,000” and inserting “464,800”.
6. Amend page 642, line 13, by striking out “514,600” and inserting “886,000”.
7. Amend page 642, line 14, by striking out “96,000” and inserting “165,700”.
8. Amend page 642, line 15, by striking out “91,700” and inserting “157,900”.
9. Amend page 642, line 17, by striking out “24,000” and inserting “41,200”.
10. Amend page 642, line 18, by striking out “24,000” and inserting “41,200”.
11. Amend page 642, line 20, by striking out “92,700” and inserting “159,500”.
12. Amend page 642, line 21, by striking out “24,000” and inserting “41,200”.
13. Amend page 642, line 24, by striking out “2,272,500” and inserting “3,912,300” and adjusting the subtotals, totals, and section 201 accordingly.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:  
**Senate Bill No. 237, entitled**

A bill to amend 1979 PA 94, entitled “The state school aid act of 1979,” by amending sections 11 and 17b (MCL 388.1611 and 388.1617b), as amended by 2006 PA 342.

Substitute (S-1).

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

1. Amend page 23, line 5, after the second “OF” by striking out “\$35,000,000.00” and inserting “\$41,000,000.00”.
2. Amend page 64, line 27, after “allowance.” by striking out the balance of the subsection.
3. Amend page 72, line 6, by striking out “\$3,578,000,000.00” and inserting “\$3,584,000,000.00”.
4. Amend page 177, line 13, after “at” by striking out “\$11,334,943,600.00” and inserting “\$11,340,943,600.00”.
5. Amend page 177, line 15, after “at” by striking out “\$11,260,417,200.00” and inserting “\$11,266,417,200.00”.

The question being on concurring in the recommendations of the Committee of the Whole regarding House Bill No. 4799 and Senate Bill Nos. 511 and 237,

Senator Cropsey requested the yeas and nays.

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

The recommendations of the Committee of the Whole were concurred in, a majority of the members voting therefor, as follows:

**Roll Call No. 339**

**Yeas—21**

Allen	Garcia	Jelinek	Patterson
Birkholz	George	Kahn	Richardville
Bishop	Gilbert	Kuipers	Sanborn
Brown	Hardiman	McManus	Stamas
Cassis	Jansen	Pappageorge	Van Woerkom
Cropsey			

**Nays—17**

Anderson	Clark-Coleman	Jacobs	Scott
Barcia	Clarke	Olshove	Switalski
Basham	Gleason	Prusi	Thomas
Brater	Hunter	Schauer	Whitmer
Cherry			

**Excused—0**

**Not Voting—0**

In The Chair: President

The bills, as amended and substituted, were placed on the order of Third Reading of Bills.

**Protest**

Senator Schauer, under his constitutional right of protest (Art. 4, Sec. 18), protested against concurring in the recommendations of the Committee of the Whole relative to House Bill No. 4799 and Senate Bill Nos. 511 and 237.

Senator Schauer's statement is as follows:

I voted "no," as did members of my caucus. That was a party-line vote on approving the report of the Committee of the Whole. The Committee of the Whole just adopted two bills. One bill was 177 pages long that amended the school aid act, full of cuts to a number of school programs that are very critical to the future of our state. Senate Bill No. 511 was a 777-page bill. Both of these bills just landed on our desks. That was an omnibus budget bill that, combined with the other bill, provided for \$900 million in cuts, colleagues, to our state—cuts which would hurt our future.

I was glad to vote "no" because this is clearly the wrong direction for our state. Unfortunately, this does nothing to move this process forward where we are striving for bipartisan agreement.

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

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

**Senate Bill No. 622**

**House Bill No. 4799**

**Senate Bill No. 511**

**Senate Bill No. 237**

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

**Recess**

Senator Cropsey moved that the Senate recess until 7:10 p.m.

The motion prevailed, the time being 6:48 p.m.

The Senate reconvened at the expiration of the recess and was called to order by the President, Lieutenant Governor Cherry.

The following bill was read a third time:

**Senate Bill No. 622, entitled**

A bill to amend 1974 PA 258, entitled "Mental health code," by amending section 1003 (MCL 330.2003), as amended by 1993 PA 252.

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. 340**

**Yeas—21**

Allen  
Birkholz

Garcia  
George

Jelinek  
Kahn

Patterson  
Richardville

Bishop  
Brown  
Cassis  
Cropsey

Gilbert  
Hardiman  
Jansen

Kuipers  
McManus  
Pappageorge

Sanborn  
Stamas  
Van Woerkom

**Nays—17**

Anderson  
Barcia  
Basham  
Brater  
Cherry

Clark-Coleman  
Clarke  
Gleason  
Hunter

Jacobs  
Olshove  
Prusi  
Schauer

Scott  
Switalski  
Thomas  
Whitmer

**Excused—0**

**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

**Protests**

Senators Brater, Gleason and Jacobs, under their constitutional right of protest (Art. 4, Sec. 18), protested against the passage of Senate Bill No. 622 and moved that the statements they made during the discussion of the bill be printed as their reasons for voting “no.”

The motion prevailed.

Senator Brater’s statement is as follows:

I rise to oppose this bill. This is an ill-considered and irresponsible approach to dealing with people with mental illness in our prisons. If we wanted real reform in dealing with the problem of mental illness in our prisons, we would be having mental health reform legislation that I have introduced before us tonight. But what this bill does is allow us to pass the buck on a system, which admittedly needs work, to a private system whose only goal is to make the bottom line connect. It is not focused on the delivery of quality of services. This is not focused on trying to address the problems of mental illness of prisoners in our prison system. Many of these people are in our prison system for no other reason than that they are mentally ill. As a result of cuts in our mental health system and closure of our mental hospitals, too many people with mental illness have ended up in our criminal justice system and in prison. We owe it to them, our most vulnerable citizens, to take a more deliberate approach when making such a radical change to the delivery of care in the prison system.

I strongly urge you, colleagues, to oppose this bill.

Senator Gleason’s statement is as follows:

This decision that we’re about to make is dealing with the fate of the most vulnerable Michigan citizens. It’s no secret to any of us that too many of our mentally-impaired citizens are incarcerated today, and yet, tonight we would contemplate a money-venturing effort to privatize the lives and the fortunes of our Michigan citizens who are in these dire straits.

There are typically two obligations that a private interest must make that a public interest doesn’t. One is that they must pay taxes, and the other is that they have an obligation to make a profit to stay in business. This discussion that we’re having tonight is whether we are going to offer privatizing opportunities to private ventures over our struggling Michigan citizens—those most vulnerable; those whom we have left behind for far too long, the mentally impaired.

When you check the population of any facility that incarcerates our citizens, they’re ranging 15 percent to 25 percent of those incarcerated suffer mental illness. And yet, we would put that responsibility on a private company to privatize the lives and the fates of these Michigan citizens. I know we’re a much better state than saying that we will put profits over those citizens with mental illnesses, and that’s what this bill is about.

That’s why I’m saying vote “no.” Don’t make profiteering part of our mentally-impaired citizens’ future.

Senator Jacobs' statement is as follows:

I rise in opposition to Senate Bill No. 622. I think that while we're trying to find savings in the mental health area that we should be looking at reducing the number of CMHs; setting up increased uniformity of standards. We need to lower our administrative costs, and I think that there are ways we can do it by sort of reducing all of that government out there. So I would ask my colleagues to let's look for savings in a different way, but not this way which I believe will be harmful to the most vulnerable citizens in our state.

The following bill was read a third time:

**House Bill No. 4799, entitled**

A bill to amend 1980 PA 300, entitled "The public school employees retirement act of 1979," by amending section 61 (MCL 38.1361), as amended by 2006 PA 158.

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. 341**

**Yeas—35**

Allen	Clarke	Jansen	Richardville
Anderson	Cropsey	Jelinek	Sanborn
Barcia	Garcia	Kahn	Schauer
Basham	George	Kuipers	Stamas
Birkholz	Gilbert	McManus	Switalski
Bishop	Gleason	Olshove	Thomas
Brown	Hardiman	Pappageorge	Van Woerkom
Cassis	Hunter	Patterson	Whitmer
Cherry	Jacobs	Prusi	

**Nays—3**

Brater	Clark-Coleman	Scott
--------	---------------	-------

**Excused—0**

**Not Voting—0**

In The Chair: President

Senator Cropsey moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

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

"An act to provide a retirement system for the public school employees of this state; to create certain funds for this retirement system; to provide for the creation of a retirement board within the department of management and budget; to prescribe the powers and duties of the retirement board; to prescribe the powers and duties of certain state departments, agencies, officials, and employees; to prescribe penalties and provide remedies; and to repeal acts and parts of acts,".

The Senate agreed to the full title.

The following bill was read a third time:

**Senate Bill No. 511, entitled**

A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, the judicial branch, and the legislative branch for the fiscal year ending September 30, 2008; to provide for certain conditions on appropriations; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

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. 342****Yeas—20**

Allen	Cropsey	Jelinek	Patterson
Birkholz	George	Kahn	Richardville
Bishop	Gilbert	Kuipers	Sanborn
Brown	Hardiman	McManus	Stamas
Cassis	Jansen	Pappageorge	Van Woerkom

**Nays—18**

Anderson	Clark-Coleman	Jacobs	Scott
Barcia	Clarke	Olshove	Switalski
Basham	Garcia	Prusi	Thomas
Brater	Gleason	Schauer	Whitmer
Cherry	Hunter		

**Excused—0****Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

**Protests**

Senators Cherry, Brater, Switalski, Scott, Basham, Gleason and Garcia, under their constitutional right of protest (Art. 4, Sec. 18), protested against the passage of Senate Bill No. 511.

Senators Cherry, Brater, Switalski, Scott, Basham and Gleason moved that the statements they made during the discussion of the bill be printed as their reasons for voting “no.”

The motion prevailed.

Senator Cherry’s statement is as follows:

I rise to oppose this bill. It is, as I said earlier, the omnibus bill for a variety of cuts in a variety of departments, many of which I think when it comes right down to it, we will not see. So I think we’re playing games tonight, and this is a political statement that I certainly don’t agree with. It has cuts, as I said earlier, to community colleges and higher education. It means that we are not going to invest in the children of this state to make sure that they have a strong future.

There are numerous cuts to community health that hurt those who are receiving Medicaid health care services. It has severely strong cuts to the Healthy Michigan Fund so that diabetes programs would be eliminated or cut severely. Infant mortality programs would be cut severely—programs that protect our children and our older adults. Early hearing screening would be totally eliminated. Those programs are important to our children.

Do I think the citizens of this state want to see a state that does not invest in its children? No, I do not. This bill, through the variety of cuts throughout it, means that we are not ensuring that we are investing in our children’s future; we’re not investing in our communities; we are not investing in safe places for people to live; and we are not investing in our economic growth. For those reasons, Mr. President, I ask that this be my “no” vote explanation.

Senator Brater’s statement is as follows:

Mr. President and colleagues, I rise to oppose Senate Bill No. 511. This bill presents us with problems that are literally a matter of life and death. This bill, when combined with another bill that we are about to be asked to vote on, will amount to close to a billion dollars in cuts in the coming year’s budget. And this is not just numbers. We’re talking about cuts to real people with real faces—real costs to our constituents who will pay more in tuition at our community

colleges, our colleges and universities; real risks to motorists when we cut critical repairs to roads and bridges. We know this isn't just our imagination because we have witnessed a neighboring Midwestern state earlier this summer where a bridge collapsed and people died. So we are talking about a matter of life and death. It's not an exaggeration.

It's a real jeopardy to consumers when we cut funds for safety inspections in restaurants and other food services. It's a real danger when we cut funds to the DEQ safe drinking water programs. It's unspeakably cruel to cut Medicaid coverage for 19- and 20-year-olds. Would you want your 19- or 20-year-old son or daughter to be unable to go to the doctor and get health care?

This is no time at this critical juncture for political posturing. Our constituents are worried, anxious, and justifiably angry at our inaction. We must join hands to work together to address this budget crisis. And we all know that we need a bipartisan solution. We all know we won't reach a bipartisan solution by slapping down 700-page bills at our desks, full of cuts that we know we can't agree on. We must invest in the future of our state by funding public education, public safety, and health care. We must reject this draconian, devastating, radical proposal that will ensure a downward spiral of our state.

Senator Switalski's statement is as follows:

We have Senate Bill No. 511 in front of us right now, and I think it serves a very useful purpose because it shows people just how ugly the cuts would be. For those people who say, "Just cut, just cut," well, this is reality of what that would mean, and this is how ugly that would be. But it's actually even uglier than this because this assumes that, you know, there's hole at the end of this of almost \$600 million. This kind of suggests, well, there's another way to fill that other \$600 million—assuming, revenue, probably. So if people want all cuts, it's this and more.

So what do we have in here that is so ugly? Well, let's look at the Senate Fiscal analysis, the second paragraph, one thing we have right in there off the bat is \$219 million in one-time revenue. The Michigan business tax is going to generate one time \$219 million. Now should we continue the mistakes, the sins of the past six years and base a budget on one-time revenue that will be gone next year and we'll be right here down \$219 million? No, we should not do that. The responsible thing would be to take one-time money and put it in the budget stabilization fund. So if you did that, you would have to find another \$219 million either in cuts or in revenue. So that's the first point.

But let's look at what some of these cuts would be. In the Attorney General's office, we would lay off 107 employees, 19 percent of the department; 25 people in Civil Rights; 38 in Civil Service. We would do something we have resisted for years in Community Health. We would take 19- and 20-year-olds and throw them off Medicaid. Take a kid who's been abused, taken away from their parents, raised in foster homes—"Hey, you're 18, you're out; you're on your own. No Medicaid for you."

How about in the Department of Corrections, a \$111 million cut. I'm told that, like wow, shuts six facilities; lays off, according to fiscal estimates, 1,300 Corrections employees. And we've heard, "Uh, we can't cut Corrections. We can't take the public safety and put it at risk." Well, we've been working and talking about what's reasonable cuts in Corrections, and I've never seen us get to a number this big.

There are 44 employees in the Department of Education. And, let me see, over in Human Services, close Maxey Training School. Let all the kinda—I have to say, the kinda hardened criminals at a very young age. Let's close that facility and lay off 268 employees there. Auditor General that we've tried to beef up to find us some efficiencies and savings, we're going to cut 31 people there. So I guess I could go through them all, but, you know, 137 employees in Treasury. Look at State Police, 59 percent reduction in secondary road patrols. That's not just trimming; that's a major whack. That's cut the thing by more than half of its size. Secretary of State, we had a furor here a few weeks ago when the Secretary wanted to consolidate a few branches. This would close 25 branches and lay off approximately 80 employees.

So it serves a purpose to show people what we're talking about. If you're going to make cuts like this, this is what it is, and I argue it's even more than this because some of these things are things that we shouldn't do, like put one-time money into the budget. Twenty-two hundred layoffs is what I'm told this adds up to. So, Mr. President, I am opposed to this. There are cuts that we're going to have to make. A lot of them are in here. We've been talking about a lot of them, but these go way too far, and I must be opposed.

Senator Scott's statement is as follows:

As the ranking member on this side of the aisle of Human Services, I'm appalled that we are removing \$207.5 million from the Department of Human Services. These are the most vulnerable people we have in this state, and because so many are still losing their jobs, we're adding more people to the system—\$35.4 million from the caseload cost adjustments; \$57.1 million from the Family Independence program. It was just mentioned about the closure of the Maxey Boys Training School, which will lay off 268 employees.

You know, I tell my colleagues all the time we get up and pray every day. The Bible says when you've done it to the least of these, you've done it onto thee. Let's have a conscience. On a Sunday, God's day, we're going to do this to the people of this state. In Labor and Economic Growth training programs for the Work Force Development training grants, \$4.4 million; fire protection, \$2.6 million; Focus: HOPE—and I'm sure most of us have gone down to Focus: HOPE and seen what a great job they do; how they're lifting people up out of poverty—but we're going to cut their funding too.

I thought if we had to come here on a Sunday, in the ninth hour of getting this budget together, we would really come with open minds where we could work together. This shouldn't be partisan. This is about the people of this state and it's up to us. They elected us to do the job for them and we're certainly not doing it tonight.

Senator Basham's statement is as follows:

I'd like to apologize to my colleagues for not being able to read 900 pages of material in 15 to 20 minutes. I thought I was a pretty fast reader, but I couldn't get through it. So I'm going to rely on Senate Fiscal's analysis of those 900 or so pages and just speak to two issues. I could speak to all of them, but everything's been said but not by everybody on at least a couple of these.

In one of them—and I'm proud to have served my country—when it comes to the Department of Military and Veterans Affairs, this is a nation that ties yellow ribbons around the trees when our veterans come home, wanting them to come home. We shouldn't be pinning Band-Aids to those trees when it comes to taking care of the needs of those veterans who will have greater and greater needs every day. We say we care about our veterans when they're in Iraq or Afghanistan, but when they come home, and particularly here in Michigan, we're going to cut \$2.2 million from the Department of Military and Veterans Affairs. That's unconscionable, and we should get real because it affects real people. These cuts aren't in absentia. These cuts happen to real people. Some of those people are veterans.

I'd like to talk about one more—Department of State Police. As we go about cutting State Police posts and laying off troopers, the troopers' union stood up and are funding the salaries of state troopers. We say we care about public safety, but here we're talking about cutting \$14.1 million from the State Police. That's a real issue. It happened to real public safety officials, and it's going to have a real long-term effect on the state of Michigan and its people.

That's just two of these real issues that could affect real people if this Senate bill passes. Please, Mr. President, use my comments as my "no" vote explanation, and I would encourage my colleagues to really take a look at what they're planning on voting for here and they have to justify it. There is a thing called a mirror in this state and we should be looking into it.

Senator Gleason's statement is as follows:

Is this what a representative of the citizens of Michigan gets today? When we're talking about the standard of living and quality of life of Michigan citizens, we get this.

Muhammad Ali, when he was getting ready to fight for the Heavyweight Championship of the World, he told his future opponent, "You can run, but you can't hide." Tonight you can run it, but you can't hide what's in it.

I remember not too long ago, when I would meet people coming to the Flint area to seek work, they left homes down in the South trying to make their lives better for them and their family and future generations. At that time, a Republican Governor thought it would be fruitful for the state and more than beneficial if we began the income tax so that we had a steady stream of funding for programs that we thought were vitally important—education, police, fire. They thought it was kind of important at that particular time, too, that we take care of the environment. Not too far removed from that, another Republican Governor thought it would be appropriate that we increase that steady stream of funding. Now that next increase happened in every person's life in this chamber here tonight.

The last few years, we've heard there is a philosophy floating around this town and others that if we cut taxes, our society, our state, and our country would be better; that if we cut taxes, we would create more jobs. I've been down in Lansing now four years and nine months. We've cut taxes pretty much every year. If that was going to be symbolic and emblematic of the job creation, I think, today we would probably have more jobs than we do than folks who are unemployed. I don't think it's working out that way.

Now many of you all know that I've had a strong and fervent dedication to the disabled. When I read about these cuts in this bill taking away transportation for the disabled to go to work, many of them, two million disabled Michigianians, a lot of them rely on public transportation. I see we have a line item in there to remove public transportation in inner cities. I don't think any of our inner cities are doing what they should be doing as far as job creation. You couple that with the elimination of funding for economic development in this state, I get back to that question if we cut taxes, there should be more than enough jobs to be going around today. But I don't know what kind of state you guys want, but I know I don't want somebody saying that bus isn't going to be there tomorrow to pick up some disabled Michigianian saying, "Well, I know you work real hard; you've got your life in order; it's very difficult; about 80 percent unemployment in the disabled community; but you worked hard and did what you were supposed to do; you got that job, but I'm sorry. Our state is just so hard off that that bus won't be there tomorrow."

The generation before me that stood down here and tried to take care of business for my family and yours believed and hoped that their actions would give people around them, and even their colleagues hoped for, a better Michigan. I think our hope has kind of switched places with the political wants. I don't think we are a better state because of that.

When I look at the history here, the income tax and other revenue streams, Republicans, Democrats, Independents, and even people who because of religious obligations couldn't gauge the political process, anted up and made sure that those who needed taking care of were taken care of. I think we must look a lot closer than what we have, and I think it takes a lot more time than a few moments to dig through a 900-page bill. But some of the things that jump out on us, I don't think we have to look at very long and very hard.

I think we've lost a lot of our prudence. We can do better and I expect that we will. So, Mr. President, I hope that those in this chamber tonight would reflect in the same fashion. Those who served the Senate districts in the past did that. We fund our state to a level that, once again, we provide our citizens and ourselves hope.

Mr. President, I ask that my remarks be recorded as my "no" vote. I strongly object to the cuts that we have before us tonight.

Senator Garcia's statement is as follows:

I'm a little late with this, but I rise to give a "no" vote explanation on Senate Bill No. 511. For those of you who know me, you know that I've consistently voted for cuts. As recently as a few months ago, I voted for budget cuts, and before this process is over, I intend to vote for even more cuts which will be substantial but not to the level offered by Senate Bill No. 511.

Many of the cuts included in this bill are unrealistic. I will support tough but realistic cuts. By moving this bill forward, we are delaying by a day what is inevitable. I've said previously that at the end of the day, there will be significant cuts and more than likely increased revenues. Here we are seven days from a government shutdown and we're still posturing.

In my opinion, this bill includes cuts that aren't really there and has potential to impact public safety such as secondary road patrols. I could go on and list other impacts on services, but in the interest of time, I won't. Sometime in the next seven days, there will be another version of this bill here with fewer but more realistic cuts. As long as those cuts are significant and realistic, I intend to vote for that bill.

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

The motion prevailed.

Senator Cropsey's statement is as follows:

A couple of observations on this legislation and the following piece of legislation, you know, we did pass budget bills through here not too long ago. At that time, I don't remember the Senate Democrats offering any substitutes to those bills to have them tell us what their plan was. So right now, the Senate Democrats are asking the Republicans to negotiate from their starting position, not even knowing where the Senate Democrats have their starting position. You mean, we're going to negotiate with nothing? But I think if you are going to make that allegation, then put out your plan, Senate Democrats, if you have a plan.

Just wanted to make a few comments on the part of the budget that deals with the Department of Corrections. Lo and behold, what we have found in the Department of Corrections, can we make savings there? You better believe we can make savings. I would like to have the Senate Democrats defend keeping these things in the bill—cuts to nonholiday overtime, \$10 million. Holiday overtime increased by one-third last year and we're trying to bring the holiday overtime into balance. Regionalization of the facilities at Ionia, Kincheloe, and Jackson is going to save over \$5 million. Half-year of savings on the centralization of prisoner storage, this half-year is almost \$4 million—half-year of savings on the centralization of receipt processing; over \$100,000 savings through discontinuing athletic shoes to Level 4 prisoners. Now get this, Level 4 prisoners are almost the highest security level. They're next to the highest security level. Right now, we're providing them athletic shoes and that is costing us over \$400,000 to provide athletic shoes to people who are locked in their cell most of the time. Now give me a break. I'd like to have someone from the other side stand up and explain why we cannot make these reductions and make these efficiencies in the Department of Corrections. Either that or come up and tell the people of the state of Michigan why you want to raise taxes to keep doing things as they have always been done.

I would just challenge the Senate Democrats to come up with your proposal because, very frankly, I haven't seen it, and I don't see how you can expect us to negotiate with something that we haven't seen.

Senator Pappageorge's statement is as follows:

You know, the world is full of critics and what we need are playwrights. Other than the good Senator's opening remarks from the 10th District, all I've heard is criticism. Now let's review how we got to this omnibus budget package. Most of you know the story, but I want to repeat it.

In January, we have a revenue estimating conference, and the instant that we accept that estimate, it becomes a promise. Everybody talks about cuts from that point on. The fact is, this year that estimate was about \$900 million too high. In the State of the State, the Governor offered something like 17 new programs, and in round numbers, that came to another \$900 million. That's how we got to the \$1.8 billion.

Now as you all know, half of the budgets originate in the House, half originate in the Senate, and then by April, we're done and we switch those budgets. Then five people get in the room—the Governor, the Speaker of the House, the Senate Majority Leader, and the two Appropriations chairs—and historically and traditionally, what was expected was those five folks would figure out how much money we had. They would allocate it among 17 budgets and those allocations were called targets. The targets went back to those of us who were on various committees and we arranged our budgets to not go over that target.

This time in May, there were three Democrats and two Republicans in the room and the proposal was once we figure out how much money we have, let's pretend we have an additional \$1.8 billion. Then the proposal was from the minority, "We want you guys to give us cover by voting for a tax increase to cover the \$1.8 billion." Not surprisingly, the answer was "no."

We began on the slide toward a possibility of shutting down this government when we refused to give targets to committees, and because committees could not meet and work on a target, we now wind up with this omnibus bill that is before us. That's how it happened; that's how we got to where we are today. The problem still remains, as the previous speaker said, propose something. The beginning of bipartisan is when both parties or three parties or however many are involved each propose something. So far, the proposals have only come from this side of the aisle.

The following bill was read a third time:

**Senate Bill No. 237, entitled**

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 3, 6, 6a, 8b, 11, 11a, 11f, 11g, 11j, 11k, 11m, 15, 18, 19, 20, 20j, 22a, 22b, 22d, 24, 24a, 24c, 26a, 26b, 31a, 31d, 31f, 32b, 32c, 32d, 32j, 32l, 37, 39a, 41, 51a, 51c, 51d, 53a, 54, 54a, 56, 57, 61a, 62, 64, 65, 74, 76, 81, 94a, 98, 99, 99e, 104, 107, 147, and 163 (MCL 388.1603, 388.1606, 388.1606a, 388.1608b, 388.1611, 388.1611a, 388.1611f, 388.1611g, 388.1611j, 388.1611k, 388.1611m, 388.1615, 388.1618, 388.1619, 388.1620, 388.1620j, 388.1622a, 388.1622b, 388.1622d, 388.1624, 388.1624a, 388.1624c, 388.1626a, 388.1626b, 388.1631a, 388.1631d, 388.1631f, 388.1632b, 388.1632c, 388.1632d, 388.1632j, 388.1632l, 388.1637, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1653a, 388.1654, 388.1654a, 388.1656, 388.1657, 388.1661a, 388.1662, 388.1664, 388.1665, 388.1674, 388.1676, 388.1681, 388.1694a, 388.1698, 388.1699, 388.1699e, 388.1704, 388.1707, 388.1747, and 388.1763), sections 3, 11, 11g, 11j, 22a, 22b, 26b, 31a, 51a, 51c, 65, 81, and 147 as amended by 2007 PA 6, sections 6, 11a, 11f, 11k, 15, 18, 20, 20j, 22d, 24, 26a, 31d, 31f, 32c, 32d, 32j, 32l, 37, 39a, 41, 51d, 53a, 54, 54a, 56, 57, 61a, 62, 74, 94a, 98, 99, and 107 as amended and sections 11m, 24a, 24c, 32b, 64, 99e, and 104 as added by 2006 PA 342, section 6a as amended by 1997 PA 93, section 8b as amended by 2003 PA 158, section 19 as amended by 2005 PA 155, section 76 as amended by 1996 PA 300, and section 163 as amended by 2004 PA 351, and by adding section 32n; and to repeal acts and parts of acts.

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. 343**

**Yeas—21**

Allen	Garcia	Jelinek	Patterson
Birkholz	George	Kahn	Richardville
Bishop	Gilbert	Kuipers	Sanborn
Brown	Hardiman	McManus	Stamas
Cassis	Jansen	Pappageorge	Van Woerkom
Cropsey			

**Nays—17**

Anderson	Clark-Coleman	Jacobs	Scott
Barcia	Clarke	Olshove	Switalski
Basham	Gleason	Prusi	Thomas
Brater	Hunter	Schauer	Whitmer
Cherry			

**Excused—0**

**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

### Protests

Senator Schauer, under his constitutional right of protest (Art. 4, Sec. 18), protested against the passage of Senate Bill Nos. 511 and 237 and moved that the statement he made during the discussion of Senate Bill No. 511 be printed as his reasons for voting “no.”

The motion prevailed.

Senator Schauer’s statement is as follows:

I came to the State Capitol tonight, on a Sunday night, to come together to forge a bipartisan agreement to save our state. With all due respect to the Republican majority caucus, these bills move us no closer to a resolution to our state budget crisis. In fact, they move us backward.

There is one of two possibilities concerning these bills. First, Senate Republicans truly believe that these \$900 million in cuts are the way to balance our budget, or second, this is just a game. If the first is true, this approach of mortgaging our future is a nonstarter with Democrats who are committed to protecting our state and gets us no closer to a solution. If this is just a game with just seven days left in our fiscal year, we have wasted another day and have been moved one step closer to a government shutdown.

Let me be clear, colleagues, Democrats here in this chamber are ready to negotiate a solution, but this is not a negotiation. And \$900 million in cuts are not a solution. Make no mistake, the cuts supported by Republicans in Senate Bill Nos. 511 and 237 hurt our state, particularly jeopardizing education, health care, and public safety.

Now I found it ironic to this point that no one in support of these bills have risen to speak. I wait with great anticipation to hear a defense of how these bills actually move us forward without hurting our state and jeopardizing our future. Democrats stand ready to work in a bipartisan way to save our state. I urge my colleagues, Democrats and Republicans, to reject these bills and get to the bargaining table. Our future relies upon it.

Senators Clark-Coleman and Clarke, under their constitutional right of protest (Art. 4, Sec. 18), protested against the passage of Senate Bill No. 237 and moved that the statements they made during the discussion of the bill be printed as their reasons for voting “no.”

The motion prevailed.

Senator Clark-Coleman’s statement is as follows:

Colleagues, you know, normally, I dedicate my good time as a legislator six days a week. I’m married to a pastor, and when we got married, I said to him that I would take that seventh day and dedicate that to my church and to my spirit. I try to do that. I try not to schedule anything on Sunday that isn’t keeping up with the Lord’s work. But today when I was notified to come up here today, I decided, and I told my husband, you know, if they’re serious, if they are really, really serious about doing good government today, then I would put aside my practice of using Sundays to do the Lord’s work. And I’ve come up here and I would really, really work to try to come together and do what is in the best interest of this state because game-playing is past.

We have seven days before October 1, and let me tell you, it is most disturbing to me. Wherever I go, I’ve always been proud to be a legislator; been proud to be one. But everywhere I go people ask me, “What are you guys doing up there? Are you trying to ruin this state? Why can’t you come together and resolve this problem?”

I am speaking to Senate Bill No. 237, which is the school aid act. Now, when I decided to come up here today and spend my good time on good government, I really didn’t expect the gamesmanship to continue. Now I’m looking at this bill, Senate Bill No. 237, and it occurs to me that if we are truly serious about handling this budget within the next seven days, then we should not be bringing forth bills where one side gets to read about the bills and know all about it and the other side doesn’t. That’s not negotiation. You don’t present someone with a fat bill. I can’t even lift it because, you see, I’m not strong enough to lift it so I haven’t even opened it because it’s too fat. And I don’t read that quickly to be able to read that big bill over there, in addition to all the other stuff. But I can say that on this particular school aid bill, if we are serious, we would understand that there are school districts around this state that are hurting, and they’re in jeopardy of closing.

There are a number of school districts that are sitting back and patiently waiting for us to create a sensible, serious budget for school aid. You can’t say give them a flat budget, the same thing they had last year, when costs are going up. Now this recommends a 2.5 percent increase be eliminated for the schools, your schools—schools in your districts. How are they going to continue to provide quality education for your children and my children? If you don’t consider the fact that their costs are going up, yet you want to eliminate the 2.5 percent increase in the basic per-pupil allocation.

If you’re really serious, you would take a look at the item here that eliminates all funding for middle school math grants. Now let me just say, we sat here and we proudly passed a school reform curriculum with a strong focus on math and science. Now if you’re going to hold these kids accountable for good grades and being able to get through this new strong curriculum that we’re so proud of, then how dare we slice all funding to middle schools for math grants.

Here's another item that kind of strikes me. Here's one that says reduce state at-risk funding by \$28 million. Reduce state aid at-risk funding, \$28 million. Now that's poor kids in poor districts—poor kids in poor districts. Yet the good Senator from the 13th District stood up and said because there's another item below it that says they would've reduced the 20j. Now the 20j money goes into the rich districts. If I'm not mistaken, the good Senator from the 13th District stood up and said that he wants to replace this \$6 million to the rich districts—the rich districts. But at the same time, cut the funding, the at-risk funding for the poor districts.

Now am I not comprehending something here? Aren't we supposed to be taking care of all children? Is there supposed to be disparity between the rich kids and the poor kids? Correct me if I'm wrong here, but I think that all children need to be funded appropriately. Now I don't mind the rich districts getting the 20j money, but at the same time, don't cut the funding to the poor kids. Excuse me, it's wrong.

So that's why I say that I'm not sure that you're really serious today when you took my Sunday. I don't think you're really serious about what it is you're to do up here because I think that with seven days left, we are still—not we; you are still playing games. We ought to be about the process at this point because wherever I go, people want to know why we are doing the foolish things that we're doing up here.

So let's sit down and let's come together and let's do what's best for the entire state. Let's not continue with these partisan games. I'm tired of them. I want to be proud to be a legislator, and right now, I am not proud to be one; not when we are talking about schools closing in many districts; if we continue, this is foolish.

Let's get it together. Let's get it done. Let's get it done and let's get it done together. Let's not throw budgets out in secret—have one side come in here and ask for the vote on the budget they haven't seen. And then you look at it and it's this thick and I can't pick it up and display it because it's too heavy.

Senator Clarke statement is as follows:

While I will be voting against this bill, I do believe that the school aid budget should be the focus of how we end our structural deficit because when you look at the nonfederal money that is spent on this proposed budget, over \$13 billion of the school aid budget represents the largest expenditure of nonfederal money in the state budget.

I oppose this cut. However, I don't believe that cuts will be able to solve our spending crisis, but I also don't believe—and this is to my own, colleagues—that raising taxes or instituting reforms that are just proposed to achieve a political agenda will address our spending crisis.

Mr. President, I believe the spending crisis in Lansing is not about balancing the budget. Our spending crisis can only be addressed by tackling one fundamental issue—how to best serve the taxpayers by spending the least amount of tax dollars. The most conservative taxpayer wouldn't have a problem paying more taxes or paying a restored tax increase if they felt confident that the money they were investing was being spent as best as possible. They don't know if the money is being spent as efficiently as it can. The reforms which are being proposed, well, frankly, they're proposed just to accomplish a political agenda such as weakening the power of the teachers' union because they don't support certain candidates. Those are fake reforms.

What I would propose is for this body to pass a joint resolution that would give the Legislative Auditor General the power to audit the school districts and audit the school districts not with a political agenda, but with a focus on how can we spend money more efficiently and effectively to better educate our kids. Cuts alone won't do it; taxes alone won't either, and neither will fake reforms that are designed to achieve a political outcome.

I oppose these cuts because they don't address the heart of the spending crisis here. It's not about balancing the budget. It's about how do we best spend tax dollars to help educate our children. We need an objective source to go in and look at these budgets.

In closing, we know over the past few years that the state takeover of Detroit Public Schools has ended in running that school district into the ground financially. Under the state takeover, the school district of the city of Detroit has egregiously misspent money, millions of dollars. There have been intermediate school districts throughout the state that have wasted millions of dollars of taxpayers' money. There is good reason why taxpayers don't feel confident in restoring even the modest tax increases which we are proposing.

I urge you, let's give the Auditor General the power to audit these school districts and local units of government. We're talking about \$16 billion that we, as legislators, don't know how it is being spent. The focus has been on the Governor's General Fund budget, but that budget really is as efficient as it can be. If you want big cost savings, let's go after the big money and that's in the school districts.

I do oppose this budget because cuts alone is shortsighted, and it won't address the fundamental problem of how do we best spend our taxpayers' dollars to better serve our taxpayers.

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

The motion prevailed.

Senator Garcia's statement is as follows:

I rise to support this bill. A few minutes ago, we voted on Senate Bill No. 511 and I voted against that bill because I thought the cuts proposed were unrealistic. But at the end of the day, we are going to have to have a substantial

number of cuts, and a good part of that is going to have to come from this side of the budget, the school aid budget. We're going to have to live with a freeze in education because there aren't enough tax dollars available to do that even with a revenue increase.

So I'm going to be supporting this bill. Perhaps I don't agree with all of the cuts that are in here, but at the end of the day, probably some will be added back in, some will probably be strengthened, but it is something that we need to do to move the process forward. These are a set of more realistic cuts that I personally can live with as opposed to the ones in the previous bill.

So, therefore, I will be supporting this bill and urge members to do likewise.

### Recess

Senator Cropsey moved that the Senate recess subject to the call of the Chair.  
The motion prevailed, the time being 8:26 p.m.

9:10 p.m.

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

By unanimous consent the Senate proceeded to the order of

### General Orders

Senator Cropsey 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 with a substitute therefor, the following bill:

#### House Bill No. 5194, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending sections 30, 51, 261, 266, and 270 (MCL 206.30, 206.51, 206.261, 206.266, and 206.270), section 30 as amended by 2005 PA 214, section 51 as amended by 1999 PA 6, section 261 as amended by 2000 PA 195, section 266 as amended by 2006 PA 52, and section 270 as amended by 2005 PA 234; and to repeal acts and parts of acts.

Substitute (S-2).

The question being on concurring in the recommendation of the Committee of the Whole,

The recommendation was not concurred in.

Senator Cropsey requested the yeas and nays.

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

The recommendation of the Committee of the Whole was concurred in, a majority of the members voting therefor, as follows:

#### Roll Call No. 344

#### Yeas—21

Allen	Garcia	Jelinek	Patterson
Birkholz	George	Kahn	Richardville
Bishop	Gilbert	Kuipers	Sanborn
Brown	Hardiman	McManus	Stamas
Cassis	Jansen	Pappageorge	Van Woerkom
Cropsey			

#### Nays—17

Anderson	Clark-Coleman	Jacobs	Scott
Barcia	Clarke	Olshove	Switalski



Basham  
Brater  
Cherry

Gleason  
Hunter

Prusi  
Schauer

Thomas  
Whitmer

**Excused—0**

**Not Voting—0**

In The Chair: President

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 Cropsey 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. 5194**

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

The following bill was read a third time:

**House Bill No. 5194, entitled**

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending sections 30, 261, 266, and 270 (MCL 206.30, 206.261, 206.266, and 206.270), section 30 as amended by 2005 PA 214, section 261 as amended by 2000 PA 195, section 266 as amended by 2006 PA 52, and section 270 as amended by 2005 PA 234.

The question being on the passage of the bill,

Senator Switalski offered the following amendment:

1. Amend page 44, following line 4, by inserting:

“(y) House Bill No. 5198.”.

The question being on the adoption of the amendment,

Senator Cropsey requested the yeas and nays.

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

The amendment was not adopted, a majority of the members serving not voting therefor, as follows:

**Roll Call No. 345**

**Yeas—18**

Anderson  
Barcia  
Basham  
Brater  
Cherry

Clark-Coleman  
Clarke  
Garcia  
Gleason  
Hunter

Jacobs  
Olshove  
Prusi  
Schauer

Scott  
Switalski  
Thomas  
Whitmer

**Nays—20**

Allen  
Birkholz  
Bishop  
Brown  
Cassis

Cropsey  
George  
Gilbert  
Hardiman  
Jansen

Jelinek  
Kahn  
Kuipers  
McManus  
Pappageorge

Patterson  
Richardville  
Sanborn  
Stamas  
Van Woerkom

**Excused—0**

**Not Voting—0**

In The Chair: President

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. 346**

**Yeas—21**

Allen	Garcia	Jelinek	Patterson
Birkholz	George	Kahn	Richardville
Bishop	Gilbert	Kuipers	Sanborn
Brown	Hardiman	McManus	Stamas
Cassis	Jansen	Pappageorge	Van Woerkom
Cropsey			

**Nays—17**

Anderson	Clark-Coleman	Jacobs	Scott
Barcia	Clarke	Olshove	Switalski
Basham	Gleason	Prusi	Thomas
Brater	Hunter	Schauer	Whitmer
Cherry			

**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 meet deficiencies in state funds by providing for the imposition, levy, computation, collection, assessment, and enforcement by lien and otherwise of taxes on or measured by net income; to prescribe the manner and time of making reports and paying the taxes, and the functions of public officers and others as to the taxes; to permit the inspection of the records of taxpayers; to provide for interest and penalties on unpaid taxes; to provide exemptions, credits and refunds of the taxes; to prescribe penalties for the violation of this act; to provide an appropriation; and to repeal certain acts and parts of acts;”.

The Senate agreed to the full title.

**Protest**

Senator Schauer, under his constitutional right of protest (Art. 4, Sec. 18), protested against the passage of House Bill No. 5194 and moved that the statement he made during the discussion of the bill be printed as his reasons for voting “no.”

The motion prevailed.

Senator Schauer's statement is as follows:

Mr. President and colleagues, some explanation is probably due to our constituents. You know, on the one hand, this bill is kind of interesting. It creates a point of difference in this sausage-making process. You know, I have been told by the majority leadership that they want to do everything in the light of day and not use conference committees. This would seem to lead in the direction of having a conference committee decide on what income tax rate we are going to have in our state. But this bill, though, this infamous income tax shell bill that the House sent can be a vehicle for dropping part of the solution into has no section for an income tax rate.

Now I guess our attorney's will help determine whether we can still fix this bill and change the income tax rate to generate revenue to save our state. But this sort of an illusion, this is, I think, a bit of a charade that the majority is trying to pull the wool over the public's eyes and not really tell them that we are dealing with a change in the income tax.

I appreciated the comments of the Democratic Appropriations vice chairman about the fact that even if an income tax rate is added in the House, that is only part of the solution. Clearly, these \$900 million in cuts are a nonsolution and will devastate our state. So the attempt to tie-bar this bill was very important. I appreciate one member of the majority party voting with Democrats for a total solution to this problem. This needs to be bipartisan. We need to agree on a real comprehensive solution of cuts and reforms and revenues that are adequate to solve the state budget crisis. Some of the reforms tie-barred to this bill are palatable; some are not.

So, again, as I said earlier tonight, this is not a negotiation. It is very interesting as to whether this is going to help us get to a solution, but given the fact that this is a disingenuous attempt at getting at an income tax increase, I will be voting against this bill.

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

The motion prevailed.

Senator Bishop's statement is as follows:

You know, I've been trying to do the best that I can to not get up today and try to kick back the rancor that I'm hearing today. It's not good for the process. It's not good for the system to show the continuing digs at each other and the constant demagoguing on these issues.

This bill was presented to us some time ago in the dead of night as a shell bill. Now don't blame us for a shell bill; it is what it is. We're doing the best that we can with what we have. Today we added 24 reforms by way of a tie-bar to this shell bill. We did remove the rate, the income tax rate. We kept in the deduction for the veterans. We stripped out the tie-bar to the service tax. We did something with nothing. The House could have put up a rate if they wanted to. In fact, we were challenged tonight because we didn't have a rate in this particular sub. Yet, not one of the members across the aisle offered up an amendment to put a rate in. I didn't see it. You didn't see it? No one saw it— just confirmed.

So the reality is when you talk about wanting cuts and reforms as part of this process and wanting to work together, you haven't voted for one cut and you haven't voted for one reform, except for my good friend from Macomb County, who I think ponied up one vote for us over there. I appreciate that. Don't discount that. But I want you to know we are trying to put a program together. We're trying to move this thing forward. We've offered up a solution today. You may not agree with it. In fact, you may vehemently oppose it, but the bottom line is that we keep putting up solutions and we get no response.

So it's going to go back over to the House tonight and lightning may strike and they may actually do something today or tomorrow. But the fact of the matter is we put a proposal up on the table. We cut a whole heck of a lot out of government tonight. We sent our reforms over there. Tonight or tomorrow they should act, and we'll get a chance to probably see sooner or later what they are going to offer up. But the fact of the matter is we did our job tonight. We acted and I want to thank all of the members for doing that tonight.

We dealt with the best we could tonight in a shell bill. We didn't ask for that, but that's all we got. What we're sending back today is far better than what we got. I compliment everyone here on this side for making this bill worthwhile and moving this process along.

By unanimous consent the Senate proceeded to the order of

#### **Introduction and Referral of Bills**

Senators Clarke, Basham, Sanborn, Allen and Cropsey introduced

#### **Senate Joint Resolution H, entitled**

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 53 of article IV, to expand the audit authority of the auditor general.

The joint resolution was read a first and second time by title and referred to the Committee on Government Operations and Reform.

Senator Switalski introduced

**Senate Bill No. 799, entitled**

A bill to amend 1984 PA 22, entitled "Michigan civilian conservation corps act," by amending the title and section 12a (MCL 409.312a), the title as amended by 1994 PA 394 and section 12a as amended by 2002 PA 57.

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

Senators Gleason, Clark-Coleman, Scott, Clarke and Jacobs introduced

**Senate Bill No. 800, entitled**

A bill to amend 1978 PA 368, entitled "Public health code," (MCL 333.1101 to 333.25211) by adding section 21529; and to repeal acts and parts of acts.

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

Senators Basham, Anderson, Gleason, Schauer and Jacobs introduced

**Senate Bill No. 801, entitled**

A bill to amend 2007 PA 36, entitled "Michigan business tax act," (MCL 208.1101 to 208.1601) by adding section 451.

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

**House Bill No. 4668, entitled**

A bill to amend 1935 PA 120, entitled "An act to prescribe a method for the fingerprinting of residents of the state, and to provide for the recording and filing thereof by the central records division of the department of state police," by amending section 3 (MCL 28.273), as amended by 2004 PA 359.

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

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

**House Bill No. 4842, entitled**

A bill to amend 1979 PA 152, entitled "State license fee act," by amending sections 3, 13, 15, 17, 21, 23, 25, 27, 28, 29, 31, 37, 38, 39, 43, and 62 (MCL 338.2203, 338.2213, 338.2215, 338.2217, 338.2221, 338.2223, 338.2225, 338.2227, 338.2228, 338.2229, 338.2231, 338.2237, 338.2238, 338.2239, 338.2243, and 338.2262), sections 3 and 37 as amended by 2006 PA 645, sections 13, 15, 17, 21, 23, 25, 27, 29, 31, 38, 39, 43, and 62 as amended by 2003 PA 87, and section 28 as added by 2006 PA 490.

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

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

**House Bill No. 4865, entitled**

A bill to amend 1964 PA 265, entitled "Uniform securities act," by amending section 202 (MCL 451.602), as amended by 2003 PA 150.

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

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

**House Bill No. 4866, entitled**

A bill to amend 1972 PA 284, entitled "Business corporation act," by amending section 1060 (MCL 450.2060), as amended by 2003 PA 106.

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

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

**House Bill No. 5217, entitled**

A bill to amend 1971 PA 140, entitled "Glenn Steil state revenue sharing act of 1971," by amending section 13 (MCL 141.913), as amended by 2006 PA 437.

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

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

**House Bill No. 5242, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 3122, 5522, 11135, 11153, 11525a, 12103, 12109, and 12112 (MCL 324.3122, 324.5522, 324.11135, 324.11153, 324.11525a, 324.12103, 324.12109, and 324.12112), section 3122 as added by 2004 PA 90, section 5522 as amended by 2005 PA 169, sections 11135, 12103, 12109, and 12112 as amended and section 11153 as added by 2001 PA 165, and section 11525a as amended by 2003 PA 153.

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

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

**Statements**

Senators Scott, Garcia, George and Allen asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Scott's statement is as follows:

Dr. King said that true peace is not merely the absence of tension; it is the presence of justice. I suppose we could eliminate a lot of tension in this chamber if I would simply drop my efforts on insurance reform. I'm certain that if I stopped my daily statements, you'd feel like you achieved some peace. As Dr. King said, true peace is the presence of justice and, brothers and sisters, we are nowhere near that when it comes to insurance rates in Michigan. So I urge you all to pray for peace that includes fair treatment of all homeowners and drivers in our state.

Senator Garcia's statement is as follows:

As the record will reflect tonight, twice tonight I voted against my own caucus. I disagreed with a couple of issues within them. I believe that tonight and tomorrow that we'll see something come from the House. But if we don't see something come soon, and if this chamber doesn't do something quickly, we're fast headed to a, in my opinion, disaster because we can't afford to let state government shut down. I don't want any part of that.

So tomorrow if there is an agreement, if there is not an agreement, then I will be putting forth a plan that I will go public with that I think may bridge the gap between this impasse that we have between this chamber and between the other chamber and the Governor. The public isn't paying me to sit on my hands and let other people think for me. I will continue to work to try and find solutions and work within my party and will side with them probably most of the time and help my leader. But I will also reach out to the other side, and there have been others who have reached out to me to try and find some type of compromise to move this process forward.

I just want to put members on notice that we need to come together. If not, then I will at least set forth a proposal that will do that.

Senator George's statement is as follows:

You have all heard me talk over the last five years about the costs of health care and the importance of reining that cost in. Of course, that is a big reason for the state's current budget imbalance. It's now the single largest part of the budget and the fastest-growing part of our budget. So it should be of no surprise to you that I have watched with interest the ongoing negotiations between General Motors, Ford, Chrysler, and the UAW.

I would argue that these negotiations offer an interesting parallel to our own budget problems. Currently, the Big Three and the union are working to create a health care trust in order to fund retiree health care obligations. The UAW is interested in pursuing this because it would then be able to provide health care benefits to its members should any of the three automakers go out of business. Just as the auto companies and the unions are working to find a solution that can provide health care for their employees while making the companies competitive again, we here need to find a solution to the state's health care obligations which will help balance our budget and make us economically competitive once again.

I hope the Big Three and the UAW are successful in designing a health care trust. I hope so, in part, because I know that if they do, if the union assumes the job of paying for its members' health care, it will find that managing health care means more than just paying for services; that paying for services alone will not protect the health of union members. The UAW will learn that the only way to control health care cost is to address the unhealthy behavior of the members who smoke, fail to exercise, fail to undergo health screenings, and fail to participate in their care. And to do this, they will need to use claims data to guide them. Claims data will be their tool as they design benefits to address the needs of their members.

We here cannot afford to wait for the Big Three and the UAW to complete their work. We should not wait for them to discover, as they surely will, the advantages of using claims data to design benefit packages for their members which will address the behaviors that are driving up the autos' health care costs. We have not waited. We have adopted reforms that would allow our local school districts to use claims data to identify and address the health needs of their employees.

We have passed Senate Bill No. 1 which would require the Department of Community Health to design benefits that would incentivize Medicaid recipients to be participants in their care.

The key to fixing our budget and making our state competitive again lies in making long-term health care reforms that will diminish the state's obligations by making Michiganders healthier. That is why I was disappointed in the Speaker's statement last week regarding the public school employees health reform measure which we had sent to the House. If we are to address the state's structural budget problems, we must follow the lead of the Big Three and the UAW and find that the solution lies in health benefits reform that will make our state healthier.

Senator Allen's statement is as follows:

When I look at the award-winning Pure Michigan advertisements, I am thinking about the tourism message that it is delivering. It raises emotions about the pride we have in our state, its rich history, and a great place to visit, a great place to raise our families to provide the opportunity for the next generation to put their stake in our Michigan landscape. The message tells us as policymakers we have a responsibility to uphold the traditions of the government that has been entrusted in us. It tells us to make the decisions needed so that our state and its people can safely live and prosper, so that we can enjoy the state's abundant resources and ensure that for the next year, for the next decade, and for the next generation the opportunities of prosperity continues.

I don't have a sense of dissatisfaction or anger over the budget. I have a sense of commitment and determination that I can join with my Senate and House colleagues to have a vision of continued rewards of satisfaction, accomplishment, and hope for Michigan's residents. I also think purely as a Michiganiaan that this place that we call with the honorable men and women can resolve their differences, protect our values, and take pride in giving a great future to our state's residents and visitors.

In other words, we don't need other words; we need to get to work. The Senate cannot serve as a body of yesterday thinkers, looking back at how things used to be and how governance used to be in accomplishing its goals. There has been enough talk on how we need to proceed. We cannot move from the point in time in a fair way to balance the budget if we layer ourselves with more hand-wringing, more finger-pointing, and he says-she says discussions.

I call on my colleagues to join me in believing that now is the time to get down to business. It is our responsibility to look at the needed reforms and needed restructuring of a state that has gone through tough economic times. The yardstick has not been good in Michigan. We come up too short—too short in many measurements—defaults, unemployment, new business starts, outflow of jobs, and the outflow of our young talent base.

We have new ideas on how to make these changes and I bring to your attention two projects that have been very important to myself and this state. I appreciate the support from my colleagues in the passage last week of the prison industries bill, whereby a limited commercial clothing industry can be started with our prisons and possibly generate millions of dollars in savings for our Corrections budget.

I ask for your support for the Michigan tourism promotion program by dedicating a small portion of the sales tax to provide the funding needed to ensure tourism can operate and expand and develop this economic engine. With the studies showing that for every dollar spent on tourism promotion, it is providing between \$2 to \$3 return in the state's budget in the same fiscal year. This can help generate state revenue. The payback is nearly immediate. The investment this fall will generate increased tourism revenue and tax revenue for next summer.

The Senate is not a group of idealess dreamers who think that the problems are solved by sticking to outdated programs based on an economy and business environment of decades ago. We have developed and have to develop financially-responsible reform proposals to make the state function to serve our people today. Shutting down government with threats of dire consequences is not responsible, nor is it necessary.

It is pure Michigan to act wisely and decisively, not next year, not next month, but this month, today, and tomorrow.

By unanimous consent the Senate returned to the order of

### **Motions and Communications**

Senator Cropsey moved that when the Senate adjourns today, it stand adjourned until Monday, September 24, at 2:00 p.m.

The motion prevailed.

### **Scheduled Meetings**

**Economic Development and Regulatory Reform** - Monday, September 24, 10:00 a.m., Dundee Village Office, 350 West Monroe Street, Dundee (373-7670) (CANCELED)

**Judiciary** - Tuesday, September 25, 12:30 p.m., Room 210, Farnum Building (373-6920)

Senator Cropsey moved that the Senate adjourn.  
The motion prevailed, the time being 9:49 p.m.

In pursuance of the order previously made, the President, Lieutenant Governor Cherry, declared the Senate adjourned until Monday, September 24, 2007, at 2:00 p.m.

CAROL MOREY VIVENTI  
Secretary of the Senate

