

No. 7  
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**House of Representatives**  
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REGULAR SESSION OF 2008

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House Chamber, Lansing, Tuesday, January 29, 2008.

6:00 p.m.

The House was called to order by the Speaker.

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

Accavitti—present	Dillon—present	Lahti—present	Pearce—present
Acciavatti—present	Donigan—present	LaJoy—present	Polidori—present
Agema—present	Ebli—present	Law, David—present	Proos—present
Amos—present	Elsenheimer—present	Law, Kathleen—present	Robertson—present
Angerer—present	Emmons—present	LeBlanc—present	Rocca—present
Ball—present	Espinoza—present	Leland—present	Sak—present
Bauer—present	Farrah—present	Lemmons—present	Schuitmaker—present
Bennett—present	Gaffney—present	Lindberg—present	Scott—present
Bieda—present	Garfield—present	Marleau—present	Shaffer—present
Booher—present	Gillard—present	Mayes—present	Sheen—present
Brandenburg—present	Gonzales—present	McDowell—present	Sheltrown—present
Brown—present	Green—present	Meadows—present	Simpson—present
Byrnes—present	Griffin—present	Meekhof—present	Smith, Alma—present
Byrum—present	Hammel—present	Meisner—present	Smith, Virgil—present
Calley—present	Hammon—present	Melton—present	Spade—present
Casperson—present	Hansen—present	Meltzer—present	Stahl—present
Caswell—present	Hildenbrand—present	Miller—present	Stakoe—present
Caul—present	Hood—present	Moolenaar—present	Steil—present
Cheeks—present	Hoogendyk—present	Moore—present	Tobocman—present
Clack—present	Hopgood—present	Moss—present	Vagnozzi—present
Clemente—present	Horn—present	Nitz—present	Valentine—present
Condino—present	Huizenga—present	Nofs—present	Walker—present
Constan—present	Hune—present	Opsommer—present	Ward—present
Corriveau—present	Jackson—present	Palmer—present	Warren—present
Coulouris—present	Johnson—present	Palsrok—present	Wenke—present
Cushingberry—present	Jones, Rick—present	Pastor—present	Wojno—present
Dean—present	Jones, Robert—present	Pavlov—present	Young—present
DeRoche—present	Knollenberg—present		

e/d/s = entered during session

Rep. Kim Meltzer, from the 33rd District, offered the following invocation:

“Our Heavenly Father of justice, we pray that the leadership of the state of Michigan and the members of this Legislature will write into law the account of a state that marks its accomplishment by the standards of our Creator.

That we be judged by our concern for the weakest and least fortunate.

On this evening, as we celebrate the goals of a new year and reflect on the lessons of the past may You guide us, Lord, in all of our endeavors.

We pray this evening for Your blessings upon the citizens of the state of Michigan, including those men and women serving our country overseas, our Public Safety officials, and the many others who perform their duties selflessly and honorably. Lord we pray You bless our communities, our families and this great state we serve.

In Jesus’ name we pray, Amen.”

### Announcement by the Clerk of Printing and Enrollment

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

<b>House Bill Nos.</b>	<b>5665</b>	<b>5666</b>	<b>5667</b>	<b>5668</b>	<b>5669</b>	
<b>Senate Bill Nos.</b>	<b>1057</b>	<b>1058</b>	<b>1059</b>	<b>1060</b>	<b>1061</b>	<b>1062</b>

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

**Enrolled House Bill No. 5101 at 2:32 p.m.**

**Enrolled House Bill No. 5123 at 2:34 p.m.**

### Reports of Standing Committees

The Committee on Commerce, by Rep. Meisner, Chair, reported

**Senate Bill No. 123, entitled**

A bill to amend 1982 PA 162, entitled “Nonprofit corporation act,” by amending sections 106, 133, 141, 143, 151, 404, 405, 407, 413, 421, 441, 446, 451, 521, 525, 901, 1103, and 1144 (MCL 450.2106, 450.2133, 450.2141, 450.2143, 450.2151, 450.2404, 450.2405, 450.2407, 450.2413, 450.2421, 450.2441, 450.2446, 450.2451, 450.2521, 450.2525, 450.2901, 450.3103, and 450.3144), sections 1103 and 1144 as added by 1984 PA 209, and by adding section 406a.

Without amendment and with the recommendation that the bill pass.

The bill was referred to the order of Second Reading of Bills.

### Favorable Roll Call

To Report Out:

Yeas: Reps. Meisner, Robert Jones, Byrum, Coulouris, Griffin, Sheltroun, Simpson, Valentine, Hildenbrand, Huizenga and Meltzer

Nays: None

### COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Meisner, Chair, of the Committee on Commerce, was received and read:

Meeting held on: Tuesday, January 29, 2008

Present: Reps. Meisner, Robert Jones, Byrum, Clemente, Coulouris, Dean, Griffin, Johnson, Sheltroun, Simpson, Valentine, Hildenbrand, Huizenga, Palsrok, Stakoe and Meltzer

Absent: Reps. Accavitti, Rick Jones and Knollenberg

Excused: Reps. Accavitti, Rick Jones and Knollenberg

The Committee on Banking and Financial Services, by Rep. Coulouris, Chair, reported

**House Bill No. 4645, entitled**

A bill to amend 1939 PA 21, entitled "Regulatory loan act," by amending section 1 (MCL 493.1), as amended by 2002 PA 393, and by adding section 16.

With the recommendation that the substitute (H-2) be adopted and that the bill then pass.

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

Favorable Roll Call

To Report Out:

Yeas: Reps. Coulouris, Johnson, Clemente, Mayes, Moore, Robertson and Calley

Nays: None

COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Coulouris, Chair, of the Committee on Banking and Financial Services, was received and read:

Meeting held on: Tuesday, January 29, 2008

Present: Reps. Coulouris, Johnson, Clemente, Mayes, Moore, Robertson and Calley

Absent: Reps. Virgil Smith and Green

Excused: Reps. Virgil Smith and Green

The Committee on Education, by Rep. Melton, Chair, reported

**House Bill No. 4042, entitled**

A bill to amend 1976 PA 451, entitled "The revised school code," by amending sections 1561 and 1596 (MCL 380.1561 and 380.1596), section 1561 as amended by 1996 PA 339.

With the recommendation that the substitute (H-3) be adopted and that the bill then pass.

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

Favorable Roll Call

To Report Out:

Yeas: Reps. Melton, Valentine, Angerer, Brown, Byrum, Clack, Corriveau, Dean, Hopgood, Lindberg, Meisner and Scott

Nays: Reps. Moolenaar, Hoogendyk, Pearce, Hildenbrand, Schuitmaker and Opsommer

COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Melton, Chair, of the Committee on Education, was received and read:

Meeting held on: Tuesday, January 29, 2008

Present: Reps. Melton, Valentine, Angerer, Brown, Byrum, Clack, Corriveau, Dean, Hopgood, Lindberg, Meisner, Miller, Scott, Moolenaar, Hoogendyk, Pearce, Hildenbrand, Schuitmaker and Opsommer

Absent: Reps. Polidori, Emmons, Steil and Knollenberg

Excused: Reps. Polidori, Emmons, Steil and Knollenberg

COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Cushingberry, Chair, of the Committee on Appropriations, was received and read:

Meeting held on: Thursday, January 24, 2008

Present: Reps. Cushingberry, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Lahti, LeBlanc, McDowell, Sak, Alma Smith, Spade, Vagnozzi, Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Caul, Hansen, Proos, Agema and Moss

Absent: Reps. Gillard, Jackson and Nofs

### COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Sheltroun, Chair, of the Committee on Tourism, Outdoor Recreation and Natural Resources, was received and read:

Meeting held on: Tuesday, January 29, 2008

Present: Reps. Sheltroun, Brown, Hammon, Lindberg, Simpson, Casperson, Walker, Stakoe and Horn

Absent: Reps. Ebli and Kathleen Law

Excused: Reps. Ebli and Kathleen Law

### Notices

Pursuant to Rule 41, the Speaker has made the following reassignment:

**House Concurrent Resolution No. 68** referred to the Committee on Oversight and Investigations.

By unanimous consent the House returned to the order of

### Motions and Resolutions

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

The motion prevailed.

The Speaker appointed as such committee Reps. Corriveau, Brown, Pearce and Opsommer.

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

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

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

### Joint Convention

6:30 o'clock p.m.

The Joint Convention was called to order by the President of the Joint Convention, Lieutenant Governor Cherry.

Reverend Timothy Eldred, Pastor at New Beginnings Christian Family Fellowship in Edmore, offered the following invocation:

#### “ADORATION

Heavenly Father, in a world filled with difficult questions, growing problems, and temporary solutions, we pause and turn our attention toward heaven. As people charged with providing leadership, answers, opportunities, and hope for Your people, we acknowledge that apart from Your wisdom and understanding, our efforts are futile for You alone provide.

#### CONFESSION

By Your divine appointment, men and women in this place have been called to steward Your resources and serve Your people for as we are told by the prophet, Daniel, ‘You change times and periods of history. You remove kings and establish them. You give wisdom to those who are wise and knowledge to those who have insight.’ All assembled here are Your representatives, and as servant leaders, we confess our need for Your divine intervention. We bow our hearts in prayer and ask that You bend Your ear to listen.

#### THANKSGIVING

Lord God, we come before Your throne thanking You for our many blessings. The state of Michigan is laden with life. We see Your goodness and Your love for humankind all around us. Throughout the world, disaster and disease devastate lives. Hunger and famine. Hatred and fear. These words describe much of our world. And while we face challenges in this state, we remain a grateful people.

**SUPPLICATION**

The Apostle Paul urged that 'supplications, prayers, intercessions and thanksgivings be made for everyone, for kings and all who are in high positions, so that we may lead a quiet and peaceable life in all godliness and dignity.' We accept his council in this prayer, Father. Not only do we thank You for the leadership You have placed over the state of Michigan, we ask for Your blessing upon their service. This chamber is filled with men and women whose hearts are burdened for those who make Michigan their home. They have been called to create legislation and carry out laws that not simply benefit our residents but bless our homes. Guide them, Lord, as they consider the needs of each one seeking safety and security in the Great Lakes State. From those who are financially stable to those who struggle with sustenance, from those who know the comforts of home to those with no place to call home, from those with good health to those in desperate need of care, grant these leaders Your wisdom and compassion in their decisions.

For our Governor, the Honorable Jennifer Granholm, we pray You would grant her vision for our future. Surround her with godly people who would provide counsel, encouragement, and support for her leadership everyday. We pray Your blessing upon her home, her family, and her example to our citizens. As she comes to address this assembly tonight, grace her with Your presence, grant her words of hope, and guide her mind to speak from a heart rooted deeply in You.

We make this petition and humbly submit this prayer to You in the name of the Lord, Jesus Christ, Amen."

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

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

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

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

The motion prevailed.

The President of the Joint Convention named as such committee Representatives Simpson and Shaffer, and Senators Brater and Van Woerkom.

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

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

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

The motion prevailed.

The President of the Joint Convention named as such committee Representatives Scott and Caul, and Senators Jacobs and Cassis.

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

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

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

The motion prevailed.

The President of the Joint Convention named as such committee Representatives Coulouris and Casperson, and Senators Clarke and Sanborn.

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

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

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

The motion prevailed.

The President of the Joint Convention named as such committee Representatives Vagnozzi, Jackson, Horn and Moore, and Senators Clark-Coleman, Olshove, Pappageorge and Kahn.

The Sergeant at Arms announced the special committee to wait on the Governor. The Governor, escorted by the committee, was conducted to the rostrum.

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

“Lieutenant Governor Cherry, Speaker Dillon, Majority Leader Bishop, distinguished leaders, fellow citizens, my beloved family: good evening.

Let us begin this evening by putting first things first. Let us recognize the courage and commitment of our service men and women who put themselves at risk so that we may enjoy the rewards of freedom. In a moment, I’ll introduce a remarkable young hero, Michelle Rudzitis, of the Michigan National Guard who lost her left leg a year ago while deployed in Iraq. I’d like to ask Sgt. Rudzitis to give us the privilege of honoring her and all of our service men and women.

And may we let a moment of silence salute the sacrifices of their comrades who have fallen.

Thank you.

Tonight as we gather in this Chamber, the world is changing at a rate unimaginable just a decade ago. No state has borne the brunt of that change like Michigan.

With our state battling a protracted economic crisis, the challenge we face as leaders could not be more clear. We must guide our state from one era to another - all the while preserving a way of life that has always defined Michigan. Hard work. Strong families. Proud communities. And most of all, good jobs.

To create new, good jobs, we have set a bold course of action to diversify our economy and to give our people the skills and education they need to not only cope in a changing world but to thrive in it. Our commitment to diversifying our economy and educating our citizens must be strong and unwavering, because my friends, there simply is no other course.

And while we are confident that this course will lead to better days, on this day, our fellow citizens are angry. For the past decade they’ve watched our major industries shed jobs by the hundreds of thousands.

And while our state struggles, our nation’s economy is slowing. The threat of recession is real. Across our nation and here in Michigan, families are seeing their homes foreclosed. Gas prices have soared. Insurance rates are up. The cost of sending a child to college is rising every year.

And people are angry. Angry at the oil companies. Angry at the con men who stoked the sub-prime crisis. Angry at a government in Washington that refuses to enforce trade laws and stands idly by as our jobs disappear.

Many of us in this Chamber understand that anger, because we feel it too. I know I do. But let’s be honest - that anger is aimed at us, too.

Last year, people wanted decisive action on jobs, on healthcare, on schools. What they got was partisan rancor over a budget.

So, when we listen to the people of Michigan, we’ll hear their anger. But we will also hear their hopes for this great state. They love Michigan. They not only want to live here. They hope their children will live here and hope to see their grandchildren born here. Work here. Thrive here. That hope is not a Democratic hope or a Republican hope - it’s a Michigan hope.

Our challenge, then, is to give our people the tools they need to realize those hopes and come out on top in this new era. In the year ahead, this will require swift action and relentless focus. In these tough times, government cannot be all things to all people - we have to focus on four things:

- A job for every worker.
- Affordable health care for every family.
- Safe places to live and work for all of us.
- Quality education for our citizens - kids and adults.

If we focus on these four things - if we say no to distractions and divisions, and if we commit to urgent action - we will emerge from this challenging decade with a leaner, smarter, stronger, and more entrepreneurial Michigan.

The reason I’m confident we can work together on the things that matter most is that we have done it before. Together, Democrats and Republicans launched the \$2 billion 21st Century Jobs Fund - the largest in the nation - to diversify our economy to create new jobs.

We replaced the dreaded Single Business Tax and enacted the most sweeping reform of business taxes in thirty years.

We put in place among the most rigorous high school graduation requirements in the nation to make sure our kids can compete with anyone.

We created the \$4,000 Michigan Promise scholarship so that every single child has the opportunity to go to college.

We adopted the earned income tax credit, which puts money into the hands of working families who are most likely to spend it. And we raised the minimum wage.

Democrats and Republicans did these things together, because they were the right things to do to create jobs and prepare our citizens for this changing world. To do the right thing in the coming year, we have to be singularly focused on what’s important to our people: jobs, health care, education, and protecting their families. The basics.



Tonight, I'm calling on you to join me in an era of unprecedented cooperation for historic progress. Legislators on both sides of the aisle are already making a commitment to work together.

For example, we agree that we must significantly increase our advertising of this beautiful state to attract tourists and businesses. We are eager to pass what will be the largest investment in marketing Michigan in our history, expanding to new markets, trumpeting our virtues across the nation and around the world. Thank you Senator Allen and Representative Ebli.

We agree that we must pass the most robust incentives in the nation to spur growth of the film industry in Michigan. Thank you Representatives Meisner and Huizenga and Senators Allen and Hunter.

We agree that we must spur the cultural life that makes cities attractive places to live and visit. Thank you Senators Allen and Clarke for your legislation that stokes the growth of downtowns.

Legislators from both parties agree that we must pass laws that protect our great blue jewels, our Great Lakes, from water diversion. Thank you Senator Birkholz and Representative Warren.

I will sign every one of those bills the moment you pass them.

Even though we'll certainly have our disagreements this election year, we agree that we must make progress for Michigan. Thank you Majority Leader Bishop and Speaker Dillon for your leadership and commitment to all of us working together this year.

We all agree on this too: our top priority must be jobs. Good-paying jobs. A job for every Michigan worker. This year, I'll continue to go anywhere and do anything to bring jobs to Michigan.

Last year, I hounded CEOs on the phone. I got on planes to shake their hands and look them in the eye and tell them how Michigan can give them the upper hand.

In the last five years, I've traveled across the globe. Five trips, 35 businesses, 7,000 new jobs in Michigan. This year I'll go again to bring back jobs.

And tonight, I'm announcing two major initiatives to grow new jobs in Michigan. When combined with our 21st Century Jobs Fund and our other unique incentives, these new initiatives will make Michigan the state with the most aggressive job creation strategy in the nation.

First: the Michigan Job Creation Tax Credit - a one time offer for businesses in the 50 fastest-growing industries in the country. Whether your business is in Michigan today or you'll come here tomorrow, if you grow jobs in Michigan, we'll cut or altogether eliminate your taxes. Along with new Michigan Business Tax, this is the first time in Michigan history where businesses will be broadly rewarded for hiring people.

Second: I will create the Michigan Invests! Fund - a fund that will put Michigan money to work building Michigan's economic future. Young companies that want to grow in Michigan are instead being uprooted by their investors who live in California or New York. Invest Michigan! will give high-growth companies the investment capital they need to flourish right here.

The Michigan pension fund and other major Michigan funds will combine to amass a pool of at least \$300 million dollars to create this win-win: pensioners and investors will get a good return on these sound investments. Michigan gets cutting-edge businesses and jobs. Michigan will now be in the top three states in the nation for making investment capital available to successful entrepreneurs who create jobs here.

A strong economy also demands a stable state budget. Last year, we made difficult decisions to get our fiscal house in order. The process was anything but pretty. But in the end, we made cuts, added new revenues, and we enacted money-saving reforms... all to protect the things we deeply care about: healthcare, education, and public safety.

Last year followed four years in which we resolved more than \$4 billion in budget deficits and cut more from state government than any administration in the history of Michigan. The budget I'll present to the Legislature next month will contain: \$200 million in additional cuts and reforms, a \$100 million deposit in the state's rainy day fund, every new initiative I'm proposing will be paid for, and no fees or taxes.

And we must continue to reform government. There are three major reforms I want to underscore: first, we can achieve significant savings in our Corrections Department by adopting changes that save money but do not compromise public safety. Money that we save from adopting corrections policies similar to those of other Midwestern states can be used to hire more police officers in our neighborhoods to prevent crimes. Thank you for committing to work with us to achieve these common sense changes.

A second reform is this: after tough negotiations, just last month our state employees entered into a three-year contract, giving significant concessions in health care and benefits to save the state \$170 million dollars. Our budget is easier to resolve this year, and you can give credit to our state employees. I ask you to stand and join me in thanking them for their commitment to excellence and their sacrifice during these extraordinary times.

The House and Senate have each introduced bills for legislators to follow the lead of state employees. I thank you for your commitment to follow through and do your part to save taxpayer dollars as well.

A third reform: we must continue to streamline government's interactions with the business community. We are partnering with business to create a One Stop Shop for businesses, a single web portal and one number to call to cut the red tape. And we're pursuing further regulatory and business permitting reform to make our state government lean and nimble. You'll hear more about this in the weeks to come.

Along with the budget I'll present next week, I'm proposing a Michigan economic stimulus package - nearly a billion dollars for needed infrastructure and building improvements, creating upwards of 28,000 construction and other jobs over the next two years. This stimulus package is made possible by refinancing and lower interest rates - not new taxes.

Lean government. Pro-job tax cuts, as never before. More capital as never before. Marketing Michigan as never before. A billion dollars in economic stimulus from new construction. Those powerful tools will help us bring and keep all kinds of businesses here. But let me talk for a moment about one sector that has blockbuster potential for Michigan: alternative energy.

Why alternative energy? Because - to borrow a line from Wayne Gretzky - if you want to win, 'don't skate to where the puck is - skate to where the puck is going.'

The puck is going to alternative energy.

Any time you pick up a newspaper from here on out and see the terms 'climate change' or 'global warming,' just think: 'jobs for Michigan.'

Because of the need to reduce global warming and end our dependence on expensive foreign oil, the renewable energy and energy efficiency industries will create millions of good paying jobs.

There's no question that these jobs are coming to our nation. The only question is, where?

I say we will win these jobs for Michigan and replace the lost manufacturing jobs with a whole new, growing sector.

Why us? Because, no other state - indeed few places in the world - have what we have to offer: our wind, our water, our woods - and thanks to the working men and women of Michigan - our skilled workforce.

Look at each of these resources.

The unique geography of our peninsulas makes us windy. Experts have said that we have the second best potential for wind generation and production in the country. In fact, the wind turbines we'd use to capture that power can be built right here in Michigan, because we have what's needed: manufacturing infrastructure; available factory space; a skilled workforce. And water - the Great Lakes - are one of the best ways to ship these huge turbines.

That Pure Michigan water will do even more for us. The natural movement, the waves of our Great Lakes waters, creates enormous energy. We are talking with businesses right now about coming to Michigan to convert water currents into electric currents.

And wood! The wood waste from the pulp and paper industry is being used to produce the next generation of biofuels. Cutting-edge companies like Mascoma, Chemrec, NewPage, and others are turning wood waste into fuel for your vehicles, and they want to come here because of our vast sustainable forests.

Our automotive base is also a huge asset: we are the automotive research capital of the world, and we are building the engines of the future - hybrids, clean diesel, electric, fuel cells, flexfuel - all of that is being, and will continue to be, researched, designed, and produced right here in Michigan.

There may be one or two other states that are sunnier than we are, but we are already a huge player in the solar energy industry. We have in Michigan the world's largest producer of the stuff that makes solar panels work. Polycrystalline silicon. Made by Hemlock Semiconductor right here in Michigan. They are in the middle of a billion dollar expansion, hiring 500 people in the Saginaw area. They have even bigger plans. And just last week, Dow Solar Solutions announced it was locating a new \$52 million manufacturing facility in Midland, focusing on solar energy generating building materials. Saginaw Valley can be the Silicon Valley for the alternative energy business!

Even waste is being used: companies are taking household trash in landfills and converting it to green energy - the Lansing Board of Water and Light is doing it right now. Farms are turning animal waste into methane gas. Opportunities are everywhere in Michigan to create green energy.

Michigan must do as any successful business does. To compete, we need to capitalize on our natural advantages. For us, it's our geography and our history. Auto ingenuity. And our solar edge. Wind. Woods. Water. Workforce. Even waste. If we do this right, Michigan can be the alternative energy capital of North America, and create thousands and thousands of jobs.

But, for Michigan to win the race for those high-paying jobs, we have to out-hustle the competition. How?

First, we must commit as a state to use alternative energy to meet our own energy needs.

To understand the connection between renewable energy and jobs, just look at Sweden - a country with striking resemblances to our state: the same size population, similar geography with two-thirds of their land covered by forests, a strong automotive sector. Sweden set high goals for their use of renewable energy. The result? They created over 2,000 businesses and 400,000 jobs in their renewable energy sector. 400,000 jobs!

Alternative energy companies have watched closely as 25 other states have set aggressive goals for their alternative energy use. We have to meet and beat other states' goals here in Michigan if we are going to attract those companies here. That's why I am asking the Legislature to set ambitious alternative energy goals for Michigan - produce 10 percent of our electrical energy from renewable sources by the year 2015 and a full 25 percent by the year 2025. Thank you Sen. Patterson and Representative Accavitti for working to craft the bipartisan legislation that will transform our state.

There is no way to overestimate the importance of setting state renewable energy use goals when it comes to creating jobs.

Tonight, I'm announcing that our state's largest utilities are poised to make one of the world's largest investments in alternative energy and energy efficiency, creating upwards of 17,000 jobs in Michigan.



As soon as this Legislature acts on a comprehensive energy package, Consumers Energy and DTE will begin to jointly invest up to \$6 billion in Michigan - much of it to build wind turbines and wind farms to produce electricity and to help businesses and homeowners install energy saving technologies. \$6 billion. 17,000 jobs.

It's not often the Legislature gets to cast a vote that will create that many jobs. But you have that opportunity right now. For the sake of our people, I urge you to get it done.

A renewable energy goal is a powerful tool to attract alternative energy jobs, but there are other tools, too. We are going to create Centers of Excellence across the state to bring alternative energy companies and Michigan universities together to create new products and new jobs. I'm also asking you to pass tax incentives for anchor companies in the alternative energy sector that get their suppliers to also locate in Michigan.

And to make sure that ethanol is made here and sold here and is competitive with gasoline, I'm asking you once again to eliminate the gas tax for fuel purchases of ethanol and biodiesel at gas stations.

And we won't stop there. Michigan will do whatever it takes to compete and win those alternative energy jobs and replace those lost manufacturing jobs.

I said we had to focus on four things: jobs, protecting our citizens, health care, and education.

No one doubts that the best way to ensure that Michigan's people will succeed in the face of global economic change is to ensure a quality education for every child and training for every worker.

Our goal: double the number of college graduates to give Michigan the best-educated workforce in the nation. To reach that goal, we'll make progress throughout our education system, from preschool to grad school to on-the-job training.

Next week, I'll introduce a budget that increases our investment in our K-12 schools and significantly expands early childhood education.

I'll also ask all of our school districts to begin offering full day kindergarten. This simple step will make a dramatic difference in the lives of our children. We want all our students to have a great start in school, because we want them to have great opportunities in life.

There are extremely limited opportunities, though, for the students who drop out of high school. By some estimates, as many as a fourth of our high school students are at risk of dropping out before graduation day. This is not acceptable in our Michigan.

In the weeks ahead, I urge this Legislature to raise the drop-out age to 18. I also urge you to pass legislation that will give our state superintendent broader authority to close high schools and other schools that consistently fail to meet academic goals.

But as important as those steps are, they're clearly not enough. That's why I have asked lawmakers from both parties and key education leaders to join me in solving our drop-out problem.

Senators Kuipers and Jelinek and Representatives Cushingberry and Melton, thank you for your wise counsel. Our work on this critical issue has just begun, but it has already helped to shape an important initiative.

My new budget will establish a 21st Century Schools Fund to replace large impersonal high schools that fail, with smaller schools that use firm discipline and strong personal relationships to help students reach high expectations.

Free from red tape and bureaucracy, these schools will deploy the new three Rs - rigor, relevance and relationships - to keep students in high school and then get them to college or technical training.

Our 21st Century Schools Fund will give school districts the resources they need to create high schools that work. A pioneering group of schools in Michigan is showing us today there is a better way.

In the past year, we created six early college high schools, which each partner with a major hospital in our state and a college or university.

Jalen Knox is here. He's 14. He's a freshman at Henry Ford Hospital's new school located in the hospital system in Detroit. In five years Jalen, and his classmates will graduate not just with a high school diploma but with a two-year college degree. That's right - in just five years.

When Jalen graduates with his specialty in respiratory therapy, Henry Ford Hospital will hire him at a salary of about \$50,000 a year. Now that's a school that's relevant to the workplace!

We have six of these schools in Michigan today - with our 21st Century Schools Fund, we could create 100 more tomorrow. We want every student in Michigan to leave high school with the skills it takes to succeed in college and the work place.

Thanks to the work of the Commission on Higher Education and Economic Growth led by our Lt. Governor John Cherry, and bipartisan action by the Legislature, we are moving ever closer to our goal. We now have a record number of high school students in Michigan taking a college entrance exam, and a record number are eligible for our \$4,000 Michigan Promise scholarship. This year, our state universities are reporting record enrollment.

And now we are stepping it up. We're going to follow Kalamazoo's lead. In that city, anonymous donors promised full college tuition for every high school graduate, and already Kalamazoo has more students staying in high school and more going to college. And there's greater parent participation in the K-12 schools and new investment in the community.

Senator Van Woerkom and Representative Melton have sponsored bipartisan legislation that will soon expand the vision of the Kalamazoo Promise to communities across our state. Senator, Representative - thank you - I look forward to signing your bills.

As much as we want our students to succeed in our K-12 schools, we also want them to succeed in college. Unfortunately, far too many of our students enter college but don't graduate. The higher education budget I propose will take aim at that problem by rewarding colleges and universities when their students complete degrees. We'll also reward them when they create opportunity for low-income students, and when they find ways to turn research ideas into businesses. We will invest more in higher education and we will expect more in return.

We will also invest more in training for adults already in the workforce. This past year, we took a giant step forward in workforce training when we launched the No Worker Left Behind initiative. Our goal is to give 100,000 workers displaced by changes in our economy access to college education and other training that prepares them for specific high demand jobs. We're offering free tuition for training in areas of need to the first 100,000 workers who sign up.

Within weeks of the program's launch, we saw a 300 percent increase in the number of people seeking training. Displaced workers like No Worker Left Behind, because it provides a ticket to a good-paying job. Employers like it, because it helps them hire employees with a strong Michigan work ethic and brand new skills.

No Worker Left Behind is training thousands of people for jobs that are open right now. Many of them are in medical fields like nursing. I'd like for you to meet John Sternhagen and his wife Andrea. John worked in manufacturing for 31 years, most recently at Electrolux in Greenville.

When Electrolux closed its doors and moved the jobs to Mexico, John and Andrea didn't know how they'd afford raising six kids with two in college. With the help of our workforce training efforts, John was able to go to Montcalm Community College through an accelerated program and get a nursing degree. Today, he's working full-time at Gratiot Medical Center as an RN, making almost double his old salary.

John made the transition. We have to make sure that others have that opportunity as well. Unfortunately, the huge demand we've seen for No Worker Left Behind will soon exhaust the federal funds we use to pay for this program. That means Michigan residents who want new skills are on waiting lists when they could be on payrolls.

I'm pleased to announce that the budget I propose next week will ensure that the thousands who need training are able to get it this year. And thank you Representative Hammel and Senator Jansen for working with us to find permanent funding for the job training Michigan workers and employers need.

Educating our citizens and diversifying our economy are the two most critical strategies for moving Michigan forward. But, as we work to transition Michigan from one economic era to the next, we must protect our citizens and their pocket-books from the effects of that changing economy.

We've started by negotiating with leading mortgage companies to freeze increases in adjustable mortgage rates for up to five years to protect Michigan families from foreclosure. I'm increasing oversight of lenders to make sure people are not being scammed. And when the Legislature passes the 'Save the Dream' home ownership protection package, we will have given citizens meaningful ways to refinance at low interest rates and save their homes from foreclosure.

Next, consumers in every other state have the right to hold drug companies accountable when their products lead to injury and even death. Michigan consumers should have that right, too.

Third, we need to strengthen Michigan laws to stop gas pump ripoffs. This year, I'll ask the Legislature to amend our antitrust and consumer protection laws to give the attorney general and prosecutors broader authority to investigate price-fixing at the pump and gas-gouging by big oil.

Fourth, Michigan consumers are paying some of the highest home and auto insurance rates in the nation. It's unacceptable - especially in the state with the most challenged economy in the nation. This week, I will issue an executive order creating an insurance advocate whose sole responsibility will be to fight for fair and affordable rates for insurance ratepayers - no matter where they live.

Then, we must protect our neighborhoods. The Michigan State Police will continue to partner with local law enforcement in fugitive felon sweeps that have already put more than 5,000 sexual predators and other dangerous fugitives back behind bars.

In my budget, by adding 100 new state troopers, we'll be able to expand our partnerships with local law enforcement in high crime areas. Since MSP's partnership with Flint law enforcement began, homicides have dropped a whopping 46 percent in that community. Tonight, I am offering to expand this same partnership to our highest crime areas.

We've also torn down blighted buildings to keep neighborhoods safe and to pave the way for new development and new jobs. Our goal is to tear down 1,500 of these crime havens by the end of this year.

Tearing down buildings is one way to fight crime; building up kids is another. I thank the 21,000 Michiganders who are giving their time to mentor the children who need their support the most. Tonight, I commit to recruiting 10,000 more mentors.

Clearly safety and economic development in our communities do go hand-in-hand. So we'll continue to partner on local economic development projects big and small, from Cobo Hall in Detroit to the Aviation Development Center in Houghton to the Pie Factory in Saugatuck.

The strength of Michigan's cities is critical to the strength of Michigan's future.

And finally, we must continue to push for accessible and affordable health care for all - another critical need in today's changing economy.

I'm proud that we stood strong and defended vulnerable people during our fiscal crisis last year. Thanks to so many of you, no senior, no person with a disability had their Medicaid coverage taken from them. And no child was cut off health care.

I personally take great pride - and you should too - in the fact that Michigan now has the highest rate of insured children in our nation.

But there is more to do. Today, every insured family pays more when uninsured families are forced to get basic health care in an expensive emergency room. When everyone has access to affordable healthcare, healthcare will become more affordable for everyone. We have asked for federal support for our Michigan First Health Care Plan to expand coverage to the uninsured in Michigan and haven't gotten it. However, it is becoming increasingly apparent that as the administration in Washington prepares to leave office, they are unwilling to support states, including Michigan, in providing care for those who need it.

We won't stop fighting for fair treatment in Washington this year. And when a new president takes office next January, I guarantee we'll be first in line to provide affordable, accessible health care for all Michigan citizens.

Affordable health care for all.

Quality education and job training.

Safety for our homes and communities.

And a job for every worker eager to have one.

That is one tall order. Maybe you're thinking, that's more than I signed on for when I put my name on the ballot. Actually, you signed up at exactly the right time.

My friends, we have been elected to serve in a period of unprecedented change for Michigan. When history is written, it will say that this decade of economic turmoil was among the toughest any state had to face in generations. And we need to ask ourselves, how will that history judge us?

Let it read that we put people like John Sternhagen and Jalen Knox above all else. Let the story be that we did what was required and more to help John and Jalen and the thousands like them keep the promise of a good life in Michigan.

We have laid the right foundation to emerge from this period of economic restructuring as a more prosperous state. There are important, strong planks on that foundation: the most rigorous education standards ever, college scholarships for every child, the biggest diversification strategy in history, a major business tax rewrite, solving the fiscal crisis, training for every adult who needs it.

But there is so much more to do. Let's be frank: we didn't get into this overnight, we aren't going to get out of it overnight. All the more reason why we have to move quickly to add on to those planks, the foundation of our home.

So let's roll up our sleeves and continue building. Let's tune out the partisan voices to work side-by-side to diversify our economy. Let's draft the blueprint that makes Michigan a leader in alternative energy jobs.

Let's do the heavy lifting of replacing chronically failing schools with schools that work. Let's help all kids to go to college and giving every adult access to training. Let's hammer out a different health care system - one that gives every person access to affordable health insurance. And let's build a strong state that shelters our people through this economic hurricane - protecting their pocketbooks, their safety, and their hopes for a better Michigan.

This is not a time for procrastination or for partisan nonsense. It's a time for just one thing: for us to fight for Michigan's future. Period.

If there's one thing we showed the people of Michigan in the last year, it's that we know how to fight. Now we need to show them that we can fight for them. Together.

I'm ready, and I believe in my heart that you're ready too.

God bless you, and God bless the great state of Michigan."

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

Representative Tobocman moved that the Joint Convention adjourn.

The motion prevailed, the time being 8:00 o'clock p.m.

The Lt. Governor and members of the Senate retired.

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

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Rep. Scott moved that the House adjourn.

The motion prevailed, the time being 8:05 p.m.

The Speaker declared the House adjourned until Wednesday, January 30, at 1:30 p.m.

