

**No. 77**  
**STATE OF MICHIGAN**  
**JOURNAL**  
**OF THE**  
**House of Representatives**  
**93rd Legislature**  
**REGULAR SESSION OF 2005**

---

---

House Chamber, Lansing, Thursday, September 15, 2005.

10:30 a.m.

The House was called to order by Associate Speaker Pro Tempore Caswell.

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

Accavitti—present	Emmons—present	Leland—present	Robertson—present
Acciavatti—present	Espinoza—present	Lemmons, III—present	Rocca—present
Adamini—present	Farhat—present	Lemmons, Jr.—present	Sak—present
Amos—present	Farrah—present	Lipsey—present	Schuitmaker—present
Anderson—present	Gaffney—present	Marleau—present	Shaffer—present
Angerer—present	Garfield—present	Mayes—present	Sheen—e/d/s
Ball—present	Gillard—present	McConico—excused	Sheltrown—present
Baxter—present	Gleason—present	McDowell—present	Smith, Alma—present
Bennett—present	Gonzales—present	Meisner—present	Smith, Virgil—present
Bieda—present	Gosselin—present	Meyer—present	Spade—present
Booher—present	Green—present	Miller—excused	Stahl—present
Brandenburg—present	Hansen—present	Moolenaar—present	Stakoe—present
Brown—present	Hildenbrand—present	Moore—present	Steil—present
Byrnes—present	Hood—excused	Mortimer—present	Stewart—present
Byrum—present	Hoogendyk—present	Murphy—present	Taub—present
Casperson—present	Hopgood—present	Newell—present	Tobocman—present
Caswell—present	Huizenga—present	Nitz—present	Vagnozzi—present
Caul—present	Hummel—present	Nofs—present	Van Regenmorter—present
Cheeks—present	Hune—present	Palmer—present	Vander Veen—present
Clack—excused	Hunter—present	Palsrok—present	Walker—present
Clemente—present	Jones—present	Pastor—present	Ward—present
Condino—present	Kahn—e/d/s	Pavlov—present	Waters—present
Cushingberry—present	Kehrl—present	Pearce—present	Wenke—present
DeRoche—present	Kolb—present	Phillips—excused	Whitmer—present
Dillon—present	Kooiman—present	Plakas—present	Williams—present
Donigan—present	LaJoy—present	Polidori—present	Wojno—present
Drolet—present	Law, David—present	Proos—present	Zelenko—present
Elsenheimer—present	Law, Kathleen—present		

e/d/s = entered during session

Rep. Bruce Caswell, from the 58th District, offered the following invocation:

“Dear Lord, keep us humble in our work in Lansing. Help us to remember that we are roll models for everyone in the state. Through Your teachings, help us to bring honor to ourselves, our families and this institution which we are so fortunate to serve. In Jesus’ name, Amen.”

---

Rep. Sak moved that Reps. Clack, Hood, McConico, Miller and Phillips be excused from today’s session. The motion prevailed.

### Notices

Rep. Polidori, under Rule 33, made the following statement:

“Mr. Speaker and members of the House:

I was absent from the Chamber when the vote was taken on Roll Call No. 415. Had I been present, I would have voted ‘yea’.”

---

Rep. Sak moved that Rep. Lemmons, III be excused temporarily from today’s session. The motion prevailed.

By unanimous consent the House returned to the order of

### Third Reading of Bills

#### House Bill No. 4718, entitled

A bill to amend 2001 PA 142, entitled “Michigan memorial highway act,” (MCL 250.1001 to 250.2080) by adding section 78.

(The bill was read a third time and postponed for the day on September 7, see House Journal No. 73, p. 1303.)

The question being on the passage of the bill,

The bill was then passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

#### Roll Call No. 416

#### Yeas—95

Accavitti	Donigan	Law, David	Rocca
Acciavatti	Elsenheimer	Law, Kathleen	Sak
Adamini	Emmons	Leland	Schuitmaker
Amos	Espinoza	Lemmons, Jr.	Shaffer
Anderson	Farhat	Lipsey	Sheltrown
Angerer	Farrah	Mayes	Smith, Alma
Ball	Gaffney	McDowell	Smith, Virgil
Baxter	Gillard	Meisner	Spade
Bennett	Gleason	Meyer	Stahl
Bieda	Gonzales	Moolenaar	Stakoe
Booher	Green	Moore	Stewart
Brandenburg	Hansen	Mortimer	Tobocman
Brown	Hildenbrand	Murphy	Vagnozzi
Byrnes	Hoogendyk	Newell	Van Regenmorter
Byrum	Hopgood	Nofs	Vander Veen

Casperson	Huizenga	Palmer	Walker
Caswell	Hummel	Palsrok	Ward
Caul	Hune	Pastor	Waters
Cheeks	Hunter	Pavlov	Wenke
Clemente	Jones	Pearce	Whitmer
Condino	Kehrl	Plakas	Williams
Cushingberry	Kolb	Polidori	Wojno
DeRoche	Kooiman	Proos	Zelenko
Dillon	LaJoy	Robertson	

**Nays—7**

Drolet	Gosselin	Nitz	Taub
Garfield	Marleau	Steil	

In The Chair: Caswell

The House agreed to the title of the bill.

Rep. Stakoe moved that the bill be given immediate effect.

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

**House Bill No. 4726, entitled**

A bill to amend 1976 PA 451, entitled "The revised school code," (MCL 380.1 to 380.1852) by adding section 1177a.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 417****Yeas—102**

Accavitti	Elsenheimer	Law, Kathleen	Rocca
Acciavatti	Emmons	Leland	Sak
Adamini	Espinoza	Lemmons, Jr.	Schuitmaker
Amos	Farhat	Lipsey	Shaffer
Anderson	Farrah	Marleau	Sheltrown
Angerer	Gaffney	Mayer	Smith, Alma
Ball	Garfield	McDowell	Smith, Virgil
Baxter	Gillard	Meisner	Spade
Bennett	Gleason	Meyer	Stahl
Bieda	Gonzales	Moolenaar	Stakoe
Booher	Gosselin	Moore	Steil
Brandenburg	Green	Mortimer	Stewart
Brown	Hansen	Murphy	Taub
Byrnes	Hildenbrand	Newell	Tobocman
Byrum	Hoogendyk	Nitz	Vagnozzi
Casperson	Hopgood	Nofs	Van Regenmorter
Caswell	Huizenga	Palmer	Vander Veen
Caul	Hummel	Palsrok	Walker
Cheeks	Hune	Pastor	Ward
Clemente	Hunter	Pavlov	Waters
Condino	Jones	Pearce	Wenke
Cushingberry	Kehrl	Plakas	Whitmer
DeRoche	Kolb	Polidori	Williams
Dillon	Kooiman	Proos	Wojno
Donigan	LaJoy	Robertson	Zelenko
Drolet	Law, David		

**Nays—0**

In The Chair: Caswell

The House agreed to the title of the bill.

Rep. Stakoe moved that the bill be given immediate effect.

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

**House Bill No. 4977, entitled**

A bill to amend 1927 PA 372, entitled “An act to regulate and license the selling, purchasing, possessing, and carrying of certain firearms and gas ejecting devices; to prohibit the buying, selling, or carrying of certain firearms and gas ejecting devices without a license or other authorization; to provide for the forfeiture of firearms under certain circumstances; to provide for penalties and remedies; to provide immunity from civil liability under certain circumstances; to prescribe the powers and duties of certain state and local agencies; to prohibit certain conduct against individuals who apply for or receive a license to carry a concealed pistol; to make appropriations; to prescribe certain conditions for the appropriations; and to repeal all acts and parts of acts inconsistent with this act,” by amending section 51 (MCL 28.4251), as amended by 2002 PA 719.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 418****Yeas—102**

Accavitti	Elsenheimer	Law, Kathleen	Rocca
Acciavatti	Emmons	Leland	Sak
Adamini	Espinoza	Lemmons, Jr.	Schuitmaker
Amos	Farhat	Lipsey	Shaffer
Anderson	Farrah	Marleau	Sheltrown
Angerer	Gaffney	Mayer	Smith, Alma
Ball	Garfield	McDowell	Smith, Virgil
Baxter	Gillard	Meisner	Spade
Bennett	Gleason	Meyer	Stahl
Bieda	Gonzales	Moolenaar	Stakoe
Booher	Gosselin	Moore	Steil
Brandenburg	Green	Mortimer	Stewart
Brown	Hansen	Murphy	Taub
Byrnes	Hildenbrand	Newell	Tobocman
Byrum	Hoogendyk	Nitz	Vagnozzi
Casperson	Hopgood	Nofs	Van Regenmorter
Caswell	Huizenga	Palmer	Vander Veen
Caul	Hummel	Palsrok	Walker
Cheeks	Hune	Pastor	Ward
Clemente	Hunter	Pavlov	Waters
Condino	Jones	Pearce	Wenke
Cushingberry	Kehrl	Plakas	Whitmer
DeRoche	Kolb	Polidori	Williams
Dillon	Kooiman	Proos	Wojno
Donigan	LaJoy	Robertson	Zelenko
Drolet	Law, David		

**Nays—0**

In The Chair: Caswell

The House agreed to the title of the bill.

Rep. Stakoe moved that the bill be given immediate effect.

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

Reps. Kahn and Sheen entered the House Chambers.

Rep. Drolet moved that Rep. Brandenburg be excused temporarily from today's session.

The motion prevailed.

### House Bill No. 4978, entitled

A bill to amend 1927 PA 372, entitled "An act to regulate and license the selling, purchasing, possessing, and carrying of certain firearms and gas ejecting devices; to prohibit the buying, selling, or carrying of certain firearms and gas ejecting devices without a license or other authorization; to provide for the forfeiture of firearms under certain circumstances; to provide for penalties and remedies; to provide immunity from civil liability under certain circumstances; to prescribe the powers and duties of certain state and local agencies; to prohibit certain conduct against individuals who apply for or receive a license to carry a concealed pistol; to make appropriations; to prescribe certain conditions for the appropriations; and to repeal all acts and parts of acts inconsistent with this act," (MCL 28.421 to 28.435) by adding section 6.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

### Roll Call No. 419

### Yeas—103

Accavitti	Emmons	Law, Kathleen	Sak
Acciavatti	Espinoza	Leland	Schuitmaker
Adamini	Farhat	Lemmons, Jr.	Shaffer
Amos	Farrah	Lipsey	Sheen
Anderson	Gaffney	Marleau	Sheltrown
Angerer	Garfield	Mayes	Smith, Alma
Ball	Gillard	McDowell	Smith, Virgil
Baxter	Gleason	Meisner	Spade
Bennett	Gonzales	Meyer	Stahl
Bieda	Gosselin	Moolenaar	Stakoe
Booher	Green	Moore	Steil
Brown	Hansen	Mortimer	Stewart
Byrnes	Hildenbrand	Murphy	Taub
Byrum	Hoogendyk	Newell	Tobocman
Casperson	Hopgood	Nitz	Vagnozzi
Caswell	Huizenga	Nofs	Van Regenmorter
Caul	Hummel	Palmer	Vander Veen
Cheeks	Hune	Palsrok	Walker
Clemente	Hunter	Pastor	Ward
Condino	Jones	Pavlov	Waters
Cushingberry	Kahn	Pearce	Wenke
DeRoche	Kehrl	Plakas	Whitmer
Dillon	Kolb	Polidori	Williams
Donigan	Kooiman	Proos	Wojno
Drolet	LaJoy	Robertson	Zelenko
Elsenheimer	Law, David	Rocca	

### Nays—0

The House agreed to the title of the bill.  
 Rep. Stakoe moved that the bill be given immediate effect.  
 The motion prevailed, 2/3 of the members serving voting therefor.

Rep. Brandenburg, under Rule 33, made the following statement:

“Mr. Speaker and members of the House:

I was absent from the Chamber when the vote was taken on Roll Call No. 419. Had I been present, I would have voted ‘yea’.”

**House Bill No. 5067, entitled**

A bill to amend 1998 PA 58, entitled “Michigan liquor control code of 1998,” by amending the title and section 105 (MCL 436.1105) and by adding section 914.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

**Roll Call No. 420**

**Yeas—102**

Accavitti	Emmons	Leland	Sak
Acciavatti	Espinoza	Lemmons, Jr.	Schuitmaker
Adamini	Farhat	Lipsey	Shaffer
Amos	Farrah	Marleau	Sheen
Anderson	Gaffney	Mayer	Sheltrown
Angerer	Garfield	McDowell	Smith, Alma
Ball	Gillard	Meisner	Smith, Virgil
Baxter	Gleason	Meyer	Spade
Bennett	Gonzales	Moolenaar	Stahl
Bieda	Gosselin	Moore	Stakoe
Booher	Green	Mortimer	Steil
Brandenburg	Hansen	Murphy	Stewart
Brown	Hildenbrand	Newell	Taub
Byrnes	Hoogendyk	Nitz	Tobocman
Byrum	Hopgood	Nofs	Vagnozzi
Casperson	Huizenga	Palmer	Van Regenmorter
Caswell	Hummel	Palsrok	Vander Veen
Caul	Hune	Pastor	Walker
Cheeks	Hunter	Pavlov	Ward
Clemente	Jones	Pearce	Waters
Condino	Kahn	Plakas	Wenke
Cushingberry	Kehrl	Polidori	Whitmer
DeRoche	Kooiman	Proos	Williams
Dillon	LaJoy	Robertson	Wojno
Donigan	Law, David	Rocca	Zelenko
Elsenheimer	Law, Kathleen		

**Nays—1**

Drolet

In The Chair: Caswell

The House agreed to the title of the bill.

Rep. Stakoe moved that the bill be given immediate effect.

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

Reps. Accavitti, Anderson, Bieda, Byrnes, Byrum, Caul, Cheeks, Clemente, Farrah, Garfield, Gillard, Gleason, Gonzales, Green, Hansen, Huizenga, Kehrl, David Law, Lemmons, Jr., Mayes, McDowell, Meyer, Moolenaar, Moore, Murphy, Nofs, Palsrok, Polidori, Proos, Sak, Sheltroun, Spade, Stakoe, Stewart, Taub, Vagnozzi, Vander Veen, Wojno and Zelenko were named co-sponsors of the bill.

---

Rep. Lemmons, III, under Rule 33, made the following statement:

“Mr. Speaker and members of the House:

I was absent from the Chamber when the vote was taken on Roll Call Nos. 416-420. Had I been present, I would have voted ‘yea’.”

### Second Reading of Bills

#### **Senate Bill No. 370, entitled**

A bill to amend 1993 PA 92, entitled “Seller disclosure act,” by amending section 7 (MCL 565.957), as amended by 2003 PA 130.

The bill was read a second time.

Rep. Stakoe moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

#### **House Bill No. 5050, entitled**

A bill to amend 1974 PA 198, entitled “An act to provide for the establishment of plant rehabilitation districts and industrial development districts in local governmental units; to provide for the exemption from certain taxes; to levy and collect a specific tax upon the owners of certain facilities; to impose and provide for the disposition of an administrative fee; to provide for the disposition of the tax; to provide for the obtaining and transferring of an exemption certificate and to prescribe the contents of those certificates; to prescribe the powers and duties of the state tax commission and certain officers of local governmental units; and to provide penalties,” by amending section 9 (MCL 207.559), as amended by 1999 PA 140.

The bill was read a second time.

Rep. Robertson moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

---

Rep. Stakoe moved that House Committees be given leave to meet during the balance of today’s session.

The motion prevailed.

By unanimous consent the House returned to the order of

### Motions and Resolutions

Reps. Sak, Polidori, Bennett, Plakas, Spade, Farrah, Kolb, Waters, Accavitti, Anderson, Angerer, Bieda, Brandenburg, Brown, Byrnes, Byrum, Condino, Cushingberry, Gillard, Gleason, Gonzales, Green, Hopgood, Hunter, Kehrl, Kathleen Law, Leland, Lemmons, III, Lemmons, Jr., Lipsey, Meyer, Murphy, Sheltroun, Alma Smith, Stahl, Tobocman, Vagnozzi, Wojno and Zelenko offered the following resolution:

#### **House Resolution No. 127.**

A resolution honoring the 70th anniversary of the United Automobile, Aerospace and Agricultural Implement Workers of America.

Whereas, The United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) is one of the largest and most diverse unions in North America, with members in virtually every sector of the economy; and

Whereas, The UAW-represented workplaces range from multinational corporations, small manufacturers, and state and local governments to colleges and universities, hospitals, and private non-profit organizations; and

Whereas, The UAW has approximately 620,000 active members and over 500,000 retired members in the United States, Canada, and Puerto Rico; and

Whereas, There are more than 950 local unions in the UAW. The UAW currently has contracts with some 3,200 employers in the United States, Canada, and Puerto Rico; and

Whereas, A unique strength of the UAW is the solidarity between its active and retired members. A solid majority of the union's half-million retirees stay actively involved in the life of their union, participating in some 700 retiree chapters and playing a vital role in the UAW's community action program; and

Whereas, Since its founding in 1935, the UAW has consistently developed innovative partnerships with employers and negotiated industry-leading wages and benefits for its members; and

Whereas, UAW members have benefited from a number of collective bargaining breakthroughs, including: the first employer-paid health insurance plan for industrial workers, the first cost-of-living allowances, a pioneering role in product quality improvements, landmark job and income security provisions, and comprehensive training and educational programs; and

Whereas, From their earliest days, the UAW has been a leader in the struggle to secure economic and social justice for all people. The UAW has been actively involved in every civil rights legislative battle since the 1950's, including the campaigns to pass the Civil Rights Act of 1965, the Fair Housing Act, the Civil Rights Restoration Act of 1988, and legislation to prohibit discrimination against women, the elderly, and people with disabilities; and

Whereas, The UAW also has played a vital role in passing such landmark legislation as Medicare and Medicaid, the Occupational Safety and Health Act, the Employee Retirement Act, and the Family and Medical Leave Act. In Washington and state capitols, the UAW is fighting for better schools for kids, secure health care and pensions for retirees, clean air and water, tougher workplace health and safety standards, stronger worker's compensation and unemployment insurance laws, and fairer taxes; now, therefore, be it

Resolved by the House of Representatives, That the members of the legislative body recognize the UAW as they celebrate 70 years of solidarity.

Pending the reference of the resolution to a committee,

Rep. Ward moved that Rule 77 be suspended and the resolution be considered at this time.

The motion prevailed, 3/5 of the members present voting therefor.

The question being on the adoption of the resolution,

The resolution was adopted.

### Reports of Standing Committees

The Committee on Judiciary, by Rep. Van Regenmorter, Chair, reported

#### **House Bill No. 4327, entitled**

A bill to amend 1965 PA 213, entitled "An act to provide for setting aside the conviction in certain criminal cases; to provide for the effect of such action; to provide for the retention of certain nonpublic records and their use; to prescribe the powers and duties of certain public agencies and officers; and to prescribe penalties," by amending section 1 (MCL 780.621), as amended by 2002 PA 472; and to repeal acts and parts of acts.

With the recommendation that the substitute (H-4) 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. Van Regenmorter, Schuitmaker, Newell, Nofs, Rocca, Lipsey, Condino, McConico, Bieda and Virgil Smith

Nays: Reps. Elsenheimer and David Law

The Committee on Judiciary, by Rep. Van Regenmorter, Chair, reported

#### **House Bill No. 4335, entitled**

A bill to amend 1965 PA 203, entitled "Commission on law enforcement standards act," by amending section 9 (MCL 28.609), as amended by 2004 PA 379.

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. Van Regenmorter, Schuitmaker, Newell, Nofs, Elsenheimer, David Law, Rocca, Lipsey, Condino, McConico and Bieda

Nays: None

The Committee on Judiciary, by Rep. Van Regenmorter, Chair, reported

**House Bill No. 4577, entitled**

A bill to amend 1977 PA 72, entitled "The medicaid false claim act," (MCL 400.601 to 400.613) by adding sections 10a, 10b, and 10c.

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. Van Regenmorter, Schuitmaker, Newell, Nofs, Elsenheimer, David Law, Rocca, Lipsey, Condino, Adamini, McConico, Bieda and Virgil Smith

Nays: None

The Committee on Judiciary, by Rep. Van Regenmorter, Chair, reported

**House Bill No. 4968, entitled**

A bill to amend 1998 PA 386, entitled "Estates and protected individuals code," by amending sections 1104, 2301, 2908, 3715, 3804, 3919, 5202, 5217, 5423, 7401, 7502, and 7508 (MCL 700.1104, 700.2301, 700.2908, 700.3715, 700.3804, 700.3919, 700.5202, 700.5217, 700.5423, 700.7401, 700.7502, and 700.7508), sections 1104 and 5202 as amended by 2000 PA 54, sections 2301 and 3715 as amended by 2004 PA 314, section 5423 as amended by 2000 PA 469, and section 7508 as amended by 2000 PA 177.

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. Van Regenmorter, Schuitmaker, Newell, Nofs, Elsenheimer, David Law, Rocca, Lipsey, Condino, Adamini, McConico, Bieda and Virgil Smith

Nays: None

## COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Van Regenmorter, Chair, of the Committee on Judiciary, was received and read:  
Meeting held on: Wednesday, September 14, 2005

Present: Reps. Van Regenmorter, Schuitmaker, Newell, Nofs, Elsenheimer, David Law, Rocca, Lipsey, Condino, Adamini, McConico, Bieda and Virgil Smith

Absent: Reps. Stakoe and Jones

Excused: Reps. Stakoe and Jones

The Committee on Conservation, Forestry, and Outdoor Recreation, by Rep. Casperson, Chair, reported

**Senate Bill No. 415, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 82148 (MCL 324.82148), as added by 1995 PA 58.

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. Casperson, Hildenbrand, Garfield, Stakoe, Baxter, Rocca, McDowell, Sheltroun and Espinoza

Nays: None

## COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Casperson, Chair, of the Committee on Conservation, Forestry, and Outdoor Recreation, was received and read:

Meeting held on: Thursday, September 15, 2005

Present: Reps. Casperson, Hildenbrand, Garfield, Stakoe, Baxter, Rocca, McDowell, Sheltroun and Espinoza

Absent: Reps. Nitz and Gillard

Excused: Reps. Nitz and Gillard

## COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Stakoe, Chair, of the Committee on Local Government and Urban Policy, was received and read:

Meeting held on: Wednesday, September 14, 2005

Present: Reps. Stakoe, Elsenheimer, Robertson, Nitz, Baxter, Schuitmaker, Tobocman, Accavitti, Donigan and Vagnozzi

Absent: Rep. Van Regenmorter

Excused: Rep. Van Regenmorter

**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 Thursday, September 15:

**House Bill Nos. 5179 5180**

**Senate Bill No. 756**

The Clerk announced that the following Senate bill had been received on Thursday, September 15:

**Senate Bill No. 502**

By unanimous consent the House returned to the order of

**Messages from the Senate****House Bill No. 4834, entitled**

A bill to regulate the business of providing deferred presentment service transactions; to require the licensing of providers of deferred presentment service transactions; to prescribe powers and duties of certain state agencies and officials; and to prescribe penalties and provide remedies.

The Senate has appointed Senators Sanborn, Jelinek and Jacobs as conferees to join with Representatives Robertson, Palsrok and McConico.

The bill was referred to the Conference Committee on September 14, 2005.

**House Bill No. 4484, entitled**

A bill to amend 1987 PA 96, entitled "The mobile home commission act," by amending section 30i (MCL 125.2330i), as added by 2003 PA 44.

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

The House agreed to the full title.

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

**House Bill No. 4996, entitled**

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 16625 (MCL 333.16625), as amended by 1991 PA 58.

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

The House agreed to the full title.

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

**House Bill No. 4306, entitled**

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 6 and 17b (MCL 388.1606 and 388.1617b), section 6 as amended by 2004 PA 351 and section 17b as amended by 2000 PA 297.

The Senate has amended the bill as follows:

1. Amend page 12, following line 2, by striking out all of subdivision (AA) and inserting:

**"(AA) FOR 2005-2006 ONLY, IF A PUPIL WHO HAS BEEN EVACUATED FROM ANOTHER STATE AND HAS RELOCATED IN THIS STATE DUE TO A NATURAL DISASTER ENROLLS IN A DISTRICT WITHIN 60 DAYS AFTER THE PUPIL MEMBERSHIP COUNT DAY, THE DEPARTMENT SHALL ADJUST THE DISTRICT'S PUPIL COUNT FOR THE PUPIL MEMBERSHIP COUNT DAY TO INCLUDE THE PUPIL IN THE COUNT."**

The Senate has passed the bill as amended, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

The Speaker announced that pursuant to Rule 45, the bill was laid over one day.

**Senate Bill No. 502, entitled**

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 16204 (MCL 333.16204), as added by 1994 PA 234.

The Senate has passed the bill.

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

**Notices**

September 15, 2005

Gary Randall, Clerk of the House  
Ground Floor, Capitol  
Lansing, MI 48909

Dear Mr. Randall:

I am hereby removing Representative Clarence Phillips from the Conference Committee on Senate Bill 264, which is the Agriculture appropriations for FY 2005-2006, and replacing him with Representative Gretchen Whitmer.

If you have any questions, please contact my office.

Sincerely,  
Craig DeRoche  
Speaker of the House

**Messages from the Governor**

Date: September 14, 2005

Time: 1:55 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

**Enrolled House Bill No. 4436 (Public Act No. 109, I.E.), being**

An act to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2005; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

(Filed with the Secretary of State September 14, 2005, at 2:48 p.m.)

### Communications from State Officers

The following communications from the Department of Human Services were received and read:

September 9, 2005

Pursuant to Section 1002 of P.A. 344 of 2004, we are enclosing a copy of the following reports:

<u>Type of Report</u>	<u>Facility</u>	<u>Report #</u>	<u>License #</u>
Approval Study Report	Sequoyah Center		CS470201401

This report was performed in compliance with the requirements of P.A. 116 of 1973 as amended, and the Administrative Rules for Child Caring Institutions. The report may also be viewed on our website, within 48 hours, under "News, Publications & Information" at the following address: <http://www.michigan.gov/fia/>.

If you have any questions regarding this information, please feel free to contact Miriam E.J. Bullock at 517-373-8383.

September 9, 2005

Pursuant to Section 1002 of P.A. 344 of 2004, we are enclosing a copy of the following reports:

<u>Type of Report</u>	<u>Facility</u>	<u>Report #</u>	<u>License #</u>
Special Investigation	Adrian Training Center	2005C0212024 2005C0212011	CS460200931

This report was performed in compliance with the requirements of P.A. 116 of 1973 as amended, and the Administrative Rules for Child Caring Institutions. The report may also be viewed on our website, within 48 hours, under "News, Publications & Information" at the following address: <http://www.michigan.gov/fia/>.

If you have any questions regarding this information, please feel free to contact Miriam E.J. Bullock at 517-373-8383.

Sincerely,  
Marianne Udow  
Director

The communications were referred to the Clerk.

### Introduction of Bills

Reps. Mayes, Spade, Angerer, Kehrl, Dillon, Leland, Espinoza, Polidori, Farrah, Clemente, Gleason, Lemmons, Jr., Cushingberry, Miller, Donigan, Anderson, Vagnozzi, Gonzales, Clack, Bieda, Wojno, Accavitti, Brown, Byrnes, Adamini, McDowell, Shelton, Condino, Alma Smith, Meisner, Hopgood, Williams, Zelenko, Bennett, Kathleen Law, Whitmer, Tobocman, Gillard, Sak, Kolb, Lipsey, Virgil Smith, Byrum, Hunter, Waters, Murphy, Plakas, Cheeks, Lemmons, III and McConico introduced

#### **House Bill No. 5181, entitled**

A bill to create a commission to investigate alternative fuels; to define certain alternative fuels; to determine certain powers and duties of the commission; and to repeal acts and parts of acts.

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

Reps. Hune and Gaffney introduced

#### **House Bill No. 5182, entitled**

A bill to amend 1975 PA 228, entitled "Single business tax act," (MCL 208.1 to 208.145) by adding section 35c.

The bill was read a first time by its title and referred to the Committee on Senior Health, Security, and Retirement.

Reps. Hune, Farrah, Gaffney and Vander Veen introduced

#### **House Bill No. 5183, entitled**

A bill to amend 1978 PA 368, entitled "Public health code," (MCL 333.1101 to 333.25211) by adding section 20173a.

The bill was read a first time by its title and referred to the Committee on Senior Health, Security, and Retirement.

Reps. Baxter, Vander Veen, Hoogendyk, Marleau, Rocca, Amos, Shaffer, Hummel, Green, Gosselin, Stahl, Taub, Robertson, Hildenbrand, Caswell, Ball and Nitz introduced

**House Bill No. 5184, entitled**

A bill to amend 1939 PA 280, entitled "The social welfare act," by amending sections 57b and 106 (MCL 400.57b and 400.106), section 57b as amended by 1999 PA 9 and section 106 as amended by 2004 PA 409.

The bill was read a first time by its title and referred to the Committee on Family and Children Services.

Reps. Baxter, Vander Veen, Hoogendyk, Marleau, Rocca, Amos, Hummel, Gosselin, Stahl, Taub, Robertson, Hildenbrand, Caswell, Ball and Nitz introduced

**House Bill No. 5185, entitled**

A bill to amend 1954 PA 116, entitled "Michigan election law," by amending section 509q (MCL 168.509q), as amended by 2005 PA 71, and by adding section 496a.

The bill was read a first time by its title and referred to the Committee on House Oversight, Elections, and Ethics.

Reps. Kolb, Alma Smith, Lipsey and Lemmons, III introduced

**House Bill No. 5186, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," (MCL 324.101 to 324.90106) by adding part 173.

The bill was read a first time by its title and referred to the Committee on Natural Resources, Great Lakes, Land Use, and Environment.

Reps. Amos, Schuitmaker, Shaffer, Casperson, Proos, Mortimer, Pastor, Stahl, Tobocman, Lipsey, Sak, Vander Veen, Garfield, Walker, Taub, Nofs, Stakoe, Meyer and Cheeks introduced

**House Bill No. 5187, entitled**

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," (MCL 206.1 to 206.532) by adding section 437.

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

Reps. Gaffney, Mortimer, Hune and Accavitti introduced

**House Bill No. 5188, entitled**

A bill to amend 1978 PA 368, entitled "Public health code," (MCL 333.1101 to 333.25211) by adding part 96A.

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

Rep. Miller introduced

**House Bill No. 5189, entitled**

A bill to prohibit expenditures of state funds on activities that interfere with or discourage unionization; and to prescribe penalties.

The bill was read a first time by its title and referred to the Committee on Government Operations.

By unanimous consent the House returned to the order of

**Reports of Select Committees**

**Senate Bill No. 274, entitled**

A bill to make appropriations for the department of history, arts, and libraries and certain other state purposes for the fiscal year ending September 30, 2006; to provide for the expenditure of the appropriations; and to provide for the disposition of fees and other income received by the state agencies.

The Senate has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

The Conference Report was read as follows:

**First Conference Report**

The Committee of Conference on the matters of difference between the two Houses concerning

**Senate Bill No. 274, entitled**

A bill to make appropriations for the department of history, arts, and libraries for the fiscal year ending September 30, 2006; to provide for the expenditure of those appropriations; to provide for the disposition of fees and other income

received by the state agencies; to create funds; to provide for the disbursement of certain grants; to provide for reports; to prescribe powers and duties of certain state departments and certain state and local agencies and officers; and to repeal acts and parts of acts.

Recommends:

First: That the House recede from the Substitute of the House as passed by the House.

Second: That the Senate and House agree to the Substitute of the Senate as passed by the Senate, amended to read as follows:

A bill to make appropriations for the department of history, arts, and libraries for the fiscal year ending September 30, 2006; to provide for the expenditure of those appropriations; to provide for the disposition of fees and other income received by the state agencies; to create funds; to provide for the disbursement of certain grants; to provide for reports; to prescribe powers and duties of certain state departments and certain state and local agencies and officers; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of history, arts, and libraries for the fiscal year ending September 30, 2006, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES**

APPROPRIATION SUMMARY:

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	232.0	
<b>GROSS APPROPRIATION</b> .....		\$ 53,850,900
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		649,700
<b>ADJUSTED GROSS APPROPRIATION</b> .....		\$ 53,201,200
Federal revenues:		
Total federal revenues .....		8,218,300
Special revenue funds:		
Total private revenues .....		577,400
Total other state restricted revenues .....		2,583,600
State general fund/general purpose .....		\$ 41,821,900

**Sec. 102. DEPARTMENT OPERATIONS**

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	30.0	
Unclassified salaries .....		\$ 222,300
Management services—29.0 FTE positions.....		2,001,700
Building occupancy charges and rent .....		2,746,100
Worker’s compensation .....		16,000
Film office—1.0 FTE positions.....		174,700
Human resources optimization user charges.....		29,500
<b>GROSS APPROPRIATION</b> .....		\$ 5,190,300
Appropriated from:		
Special revenue funds:		
State general fund/general purpose .....		\$ 5,190,300

**Sec. 103. INFORMATION TECHNOLOGY**

Information technology services and projects .....		\$ 790,700
<b>GROSS APPROPRIATION</b> .....		\$ 790,700
Appropriated from:		
Interdepartmental grant revenues:		
IDG-MDOT, comprehensive transportation fund.....		200
IDG-MDOT, state aeronautics fund.....		100
IDG-MDOT, state trunkline fund .....		3,500
Special revenue funds:		
Game and fish protection fund .....		100
Mackinac Island state park fund .....		45,100
Special revenue, internal service and pension trust .....		3,100
State lottery fund .....		900
State general fund/general purpose .....		\$ 737,700

For Fiscal Year  
Ending Sept. 30,  
2006

**Sec. 104. COUNCIL FOR ARTS AND CULTURAL AFFAIRS**

Full-time equated classified positions .....	9.0	
Administration—9.0 FTE positions.....		\$ 694,400
Arts and cultural grants.....		9,828,400
<b>GROSS APPROPRIATION.....</b>		<b>\$ 10,522,800</b>

Appropriated from:

Federal revenues:

NFAH-NEA, promotion of the arts, partnership agreements .....		700,000
---	--	---------

Special revenue funds:

State general fund/general purpose .....		\$ 9,822,800
--	--	--------------

**Sec. 105. MACKINAC ISLAND STATE PARK COMMISSION**

Full-time equated classified positions.....	39.0	
Mackinac Island park operation—24.3 FTE positions.....		\$ 1,946,000
Historical facilities system—14.7 FTE positions .....		1,692,900
<b>GROSS APPROPRIATION.....</b>		<b>\$ 3,638,900</b>

Appropriated from:

Interdepartmental grant revenues:

IDG-MDOT, state trunkline fund .....		500,000
--------------------------------------	--	---------

Special revenue funds:

Mackinac Island state park operation fees.....		150,000
Mackinac Island state park fund .....		1,489,800
State general fund/general purpose .....		\$ 1,499,100

**Sec. 106. MICHIGAN HISTORICAL PROGRAM**

Full-time equated classified positions.....	83.0	
Historical administration and services—71.0 FTE positions .....		\$ 5,137,500
Federal programs—12.0 FTE positions .....		1,960,900
Heritage publications .....		700,000
Private grants and gifts .....		502,400
Thunder Bay national marine sanctuary and underwater preserve.....		195,400
Historical grants.....		25,000
<b>GROSS APPROPRIATION.....</b>		<b>\$ 8,521,200</b>

Appropriated from:

Interdepartmental grant revenues:

IDG-MDOT, comprehensive transportation fund.....		6,100
IDG-MDOT, state aeronautics fund.....		3,700
IDG-MDOT, state trunkline fund .....		136,100

Federal revenues:

DOI-NPS, historic preservation grants-in-aid.....		1,395,700
Federal funds .....		565,200

Special revenue funds:

Private - grants and gifts.....		400,000
Private - Mann house trust fund.....		102,400
Game and fish protection fund.....		3,900
Heritage publication fund.....		700,000
Marine safety fund.....		500
Special revenue, internal service and pension trust .....		76,200
State lottery fund .....		26,200
Waterways fund .....		900
State general fund/general purpose .....		\$ 5,104,300

**Sec. 107. LIBRARY OF MICHIGAN**

Full-time equated classified positions.....	71.0	
Book distribution centers .....		\$ 350,000
Collected gifts and fees.....		161,900
Library of Michigan operations—71.0 FTE positions .....		6,303,800
Library services and technology act.....		5,557,400
State aid to public libraries .....		7,177,300
State aid to cooperative library .....		4,649,800

	For Fiscal Year Ending Sept. 30, 2006
Subregional state aid.....	505,000
Preservation and access for Michigan project .....	481,800
GROSS APPROPRIATION.....	\$ 25,187,000
Appropriated from:	
Federal revenues:	
Library services and technology act.....	5,557,400
Special revenue funds:	
Private - gifts and bequests revenues .....	75,000
User fees .....	86,900
State general fund/general purpose .....	\$ 19,467,700

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2005-2006 is \$44,405,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2005-2006 is \$15,280,600.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

**DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES**

Arts and cultural grants.....	\$ 2,948,500
State aid to libraries.....	11,827,100
Subregional state aid.....	505,000
Total department of history, arts, and libraries.....	\$ 15,280,600

Sec. 202. The appropriations authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this appropriation act:

- (a) "Department" means the department of history, arts, and libraries.
- (b) "Director" means the director of the department of history, arts, and libraries.
- (c) "DOI-NPS" means the United States department of interior, national park service.
- (d) "Fiscal agencies" means the house fiscal agency and the senate fiscal agency.
- (e) "FTE" means full-time equated.
- (f) "IDG" means interdepartmental grant.
- (g) "MCACA" means the Michigan council for arts and cultural affairs.
- (h) "MDOT" means the Michigan department of transportation.
- (i) "NEA" means the national endowment for the arts.
- (j) "NFAH" means the national foundation of the arts and the humanities.
- (k) "Subcommittees" means all members of the appropriate subcommittees of the house and senate appropriations committees.

Sec. 204. The department of civil service shall bill the departments at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 205. (1) A hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.

(2) The state budget director shall grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, cause a loss of revenue to the state, result in the inability of the state to receive federal funds, or would necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.

Sec. 207. At least 60 days before beginning any effort to privatize, the department shall submit a complete project plan to the subcommittees and the fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the fiscal agencies and to the subcommittees within 30 months.

Sec. 208. Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this act. Required reports may be transmitted via electronic mail to the recipients identified for each reporting requirement or they may be placed on the Internet or Intranet site.



Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference should be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable value.

Sec. 211. The department shall establish and maintain affirmative action programs based on guidelines developed by the state equal opportunity workforce planning council which was created by Executive Order No. 1996-13 in order to receive general fund/general purpose dollars.

Sec. 213. From the funds appropriated in part 1 for information technology, departments and agencies shall pay user fees to the department of information technology for technology related services and projects. The user fees shall be subject to provisions of an interagency agreement between the departments and agencies and the department of information technology.

Sec. 214. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 215. (1) The department may provide and enter into agreements to provide general services, training, meetings, information, special equipment, software, and facility use, and technical consulting services to other principal executive departments, state agencies, local units of government, the judicial branch of government, other organizations, and patrons of department facilities. Fees for services shall be reasonably related to the cost of providing the services and shall be used to offset the costs of the services. The department may receive and expend funds in addition to those authorized in part 1 for the following:

(a) Supplying census-related information and technical services, publications, statistical studies, population projections and estimates, and other demographic products.

(b) Microfilming and other document and data imaging services, media, storage, and copies.

(c) Patron copier and document reproduction services and copies.

(d) Conferences, training classes, exhibits, programs, and workshops conducted as part of the department's mission.

(e) Use of specialized equipment, facilities, and software that permit distance learning and meetings, and group decision making.

(f) Special services including the rental of department exhibits and collections.

(2) The funds received under this section may be deposited and expended from the history, arts, and libraries fund established in section 216 of this article.

Sec. 216. (1) A fund known as the history, arts, and libraries fund is created in the department. The fund may be used to receive and expend funds in addition to those authorized in part 1. The fund balance may be carried forward for expenditure in subsequent fiscal years.

(2) The department shall provide a report to the senate and house of representatives appropriations subcommittees on history, arts, and libraries of all revenues to and expenditures from the history, arts, and libraries fund. The report shall include an estimated fund balance for the fiscal year ending September 30, 2006. The report is due November 1, 2006.

Sec. 217. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2006 shall be limited to situations in which 1 or more of the following conditions apply:

(a) The travel is required by legal mandate or court order or for law enforcement purposes.

(b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.

(c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.

(d) The travel is necessary to comply with federal requirements.

(e) The travel is necessary to secure specialized training for staff that is not available within this state.

(f) The travel is financed entirely by federal or nonstate funds.

(2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the state budget director may grant an exception to allow the travel. Any exceptions granted by the state budget director shall be reported on a monthly basis to the house and senate appropriations committees.

(3) Not later than January 1 of each year, each department shall prepare a travel report listing all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the chairs and members of the house and senate appropriations committees, the fiscal agencies, and the state budget director. The report shall include the following information:

(a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.

(b) The destination of each travel occurrence.

- (c) The dates of each travel occurrence.
- (d) A brief statement of the reason for each travel occurrence.
- (e) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.
- (f) A total of all out-of-state travel funded for the immediately preceding fiscal year.

Sec. 218. It is the intent of the legislature to explore supplemental fund sourcing options for the department of history, arts, and libraries.

Sec. 219. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 220. The department shall publish the proposed minutes of the Michigan film advisory commission on the Internet within 8 business days after the meeting to which the minutes refer. Approved minutes of the Michigan film advisory commission shall be posted on the Internet within 8 business days after their approval.

#### **MICHIGAN COUNCIL FOR ARTS AND CULTURAL AFFAIRS**

Sec. 401. (1) The MCACA in the department shall administer the arts and cultural grants appropriated in part 1.

(2) The MCACA shall render fair and independent decisions concerning arts and cultural grant requests and shall do all of the following:

- (a) Use published criteria to evaluate program quality.
- (b) Seek to award grants on an equitable geographic basis to the extent possible given the quality of grant applications received.
- (c) Give priority to projects that serve multiple counties or that leverage significant additional public and private investment.

(3) The MCACA shall not award grants for projects or activities that include displays of human wastes on religious symbols, displays of sex acts, and depictions of flag desecration.

(4) The MCACA shall provide for fair, equitable, and efficient distribution of funds granted through the regional regranteeing program. The MCACA shall provide for an annual assessment of grant management and distribution of mini-grant awards by designated regional regranteeing agencies and review the methodology employed.

(5) The MCACA shall continue and expand its efforts to encourage and support nonprofit arts and cultural organizations to transition from solely volunteer-based organizations to professionally directed operations. Criteria for support include the requirement of collaboration between these organizations and other community organizations.

Sec. 402. The MCACA may award grants to counties, cities, villages, townships, community foundations and organizations in the following categories:

(a) Anchor organization program for organizations that serve regional and statewide audiences. Anchor organizations shall demonstrate a commitment to education, to mentoring smaller organizations, and to reaching underserved audiences.

- (b) Arts projects program.
- (c) Arts and learning program.
- (d) Artists in residence for education program.
- (e) Arts organization development program.
- (f) Capital improvement program.
- (g) Local arts agencies services program.
- (h) Regional regranteeing program.
- (i) Partnership program.
- (j) Rural arts and cultural program.
- (k) Cultural projects program.
- (l) Historical projects program.
- (m) Discretionary grants program.

Sec. 403. (1) From the state funds appropriated in part 1 for arts and cultural grants, no one organization may receive more than 17% of this funding. It is the intent of the legislature that this percentage be reduced to 16% in fiscal year 2007, and 15% in fiscal year 2008.

(2) The MCACA shall make every effort to provide total grant awards in the anchor organization program at a level not to exceed 70% of the total amount appropriated for arts and cultural grants.

(3) As documented in the audit report that is submitted as part of the grant application process, the total of all grants awarded to any organization receiving grants within the anchor organization program may not exceed 15% of their "total unrestricted revenues, gains, and other support", as defined by the financial accounting standards board in the accounting standards for not-for-profit organizations.

(4) Before any amount appropriated for arts and cultural grants in part 1 may be expended for a grant to an eligible recipient, the department shall execute a grant agreement with the recipient. The grant agreement shall identify the projects funded and specify the category in section 402 under which the grant is awarded.

Sec. 404. Grant applicants must meet and adhere to the following requirements:

(a) Each applicant shall pay a nonrefundable application fee of \$300 or 3% of the desired grant amount, whichever is less. The department may use the application fee to offset its direct and indirect costs.

(b) An applicant for a grant under the anchor organization program shall submit with the application the applicant's most recent annual audit report which states their "total unrestricted revenues, gains, and other support," as defined by the financial accounting standards board in the accounting standards for not-for-profit organizations. The audit report must cover an audit period that ends within 18 months of the date of the application.

(c) Each applicant shall identify proposed matching funds from local and/or private sources on a dollar-for-dollar basis. The dollar-for-dollar match may include the reasonable value of services, materials, and equipment as allowed under the federal internal revenue code for charitable contributions.

Sec. 405. Each grant recipient shall provide the MCACA with the following:

(a) The MCACA shall receive proof of the entire amount of the matching funds, services, materials, or equipment by the end of the award period.

(b) Within 30 days following the end of the grant period, a final report that includes the following:

(i) Project revenues and expenditures including grant matching fund amounts.

(ii) Number of patrons attracted or benefiting during the grant period.

(iii) A narrative summary of each project and its outcome.

(c) By April 7 of the grant year, each recipient of a grant greater than \$100,000 shall submit an interim report that includes the items identified in subdivision (b).

Sec. 406. (1) The department shall make the following reports:

(a) An electronic report identifying the website location that contains a list of all grant recipients, sorted by county. This report shall be provided to each legislator within 1 business day of the announcement of annual awards by the MCACA.

(b) An electronic report to the appropriations subcommittees, the state budget office, and the fiscal agencies, within 30 days after the MCACA announces the annual grant awards, that includes all of the following:

(i) A listing of each applicant.

(ii) The county of residence of the applicant.

(iii) The amount requested.

(iv) The amount awarded.

(v) The grant category under which an applicant applied.

(vi) A summary of projects funded for each recipient.

(vii) The expected number of patrons for an applicant during the grant period.

(viii) The amount of matching funds proposed by each applicant.

(ix) A listing containing the information in subdivision (a) and subparagraphs (i) to (viii) for any regranted funds in the preceding fiscal year.

(c) An annual report to the appropriations subcommittees, the state budget office, and the fiscal agencies is due when materials are first distributed by the MCACA seeking grant applications for the subsequent fiscal year. The report shall contain the following:

(i) The MCACA guidelines for awarding grants.

(ii) A summary of any changes in the program guidelines from the previous fiscal year.

(2) The council shall report to the chairpersons of the house and senate appropriations subcommittees on history, arts, and libraries by August 1 all unexpended or unencumbered discretionary grant funding that is available. The council shall not redistribute any unexpended or unencumbered grant funds during the fiscal year without a 10-day notice to the chairpersons of the house and senate appropriations subcommittees on history, arts, and libraries.

Sec. 407. It is the intent of the legislature to amend the income tax act of 1967, MCL 206.1 to 206.532, to create a designation on the Michigan income tax form for contributions to the Michigan council for arts and cultural affairs grant program.

#### **MICHIGAN HISTORICAL PROGRAM**

Sec. 501. The federal funds appropriated in part 1 for the historic site preservation grants are for work projects and shall not lapse at the end of the fiscal year but shall continue to be available for expenditure until the projects for which the funds were reserved have been completed or are terminated. The purpose of these work projects is the identification, designation, and preservation of historic resources. The method used will be to solicit applications, score applications based upon established criteria, and award subgrants. The department shall execute a grant agreement with each recipient. The total cost is \$1,348,000.00 and the tentative completion date is September 30, 2007.

Sec. 502. Funds collected by the department under sections 6, 7, and 7a of 1913 PA 271, MCL 399.6, 399.7, and 399.7a, are appropriated to the department for the purpose for which they were received and may be carried forward for expenditure in subsequent fiscal years.

Sec. 503. For the purposes of administering the museum store as provided in section 7a of 1913 PA 271, MCL 399.7a, the department is exempt from section 261 of the management and budget act, 1984 PA 431, MCL 18.1261.

Sec. 504. (1) From the state funds appropriated in part 1, the department may award discretionary historical grants to preserve Michigan lighthouses. The department may award up to \$25,000.00 in grants for this purpose and may use a portion of those funds to assist in the transfer of lighthouses from federal ownership. A portion of the funds may also be dedicated to program administration and project coordination.

(2) The department shall allocate grant funds under this section pursuant to eligibility and scoring requirements established by the department. The method used will be to solicit applications from eligible recipients, score applications based on the established criteria, and award grants through executed contracts.

(3) Grants under this section may be awarded for purposes of stabilization, rehabilitation, or other preservation work on a Michigan lighthouse, but shall not be awarded for operational purposes.

(4) The funds appropriated in part 1 and allocated by this section are for work projects. The funds shall not lapse to the general fund at the end of the fiscal year but shall remain available in subsequent fiscal years, until funds have been expended, the projects for which the funds were reserved have been completed, or the projects are terminated, whichever occurs first.

Sec. 505. From the funds appropriated in part 1 for historical administration and services, \$25,000.00 shall be allocated to support the operations of the Michigan freedom trail commission as specified in section 4 of the Michigan freedom trail commission act, 1998 PA 409, MCL 399.84. These funds shall be used to reimburse commission members, to pay for necessary contractual services of the commission, and to hire not more than 1.0 FTE position in the department's Michigan historical center to support commission operations.

Sec. 506. Proceeds in excess of costs incurred in the conduct of auctions, sales, or transfers of artifacts no longer considered suitable for the collections of the state historical museum are appropriated to the department and may be expended upon receipt for additional material for the collection. The department shall notify the chairpersons, vice chairpersons, and minority vice chairpersons of the senate and house appropriations subcommittees on history, arts, and libraries 1 week prior to any auctions or sales.

Sec. 507. Unless prohibited by law, the department shall make available to the historical society of Michigan the use of the Michigan history magazine subscriber list, or a portion of the Michigan history magazine subscriber list, at a cost not to exceed the actual expense incurred for providing a single mailing.

Sec. 508. From the funds appropriated in part 1 in the historical administration and services line item, \$100,000.00 shall be used to fund a competitive historical grant program. Eligible applicants include all state and local historical societies and the state historical preservation network. Awards shall be made for projects that can leverage additional public and private investment and may involve, but are not limited to, capital improvements projects, restorations, research, educational programs, and publications.

Sec. 509. Of the funds appropriated in part 1 for the historical grants, \$25,000.00 shall be allocated to support Michigan history day.

#### **LIBRARY OF MICHIGAN**

Sec. 601. In order to receive subregional state aid as appropriated in part 1 to the library of Michigan, a subregional library's fiscal agency must agree to maintain local funding support at the same level in the current fiscal year as in the fiscal agency's preceding fiscal year. If a reduction in expenditures equally affects all agencies in a local unit of government that is the subregional library's fiscal agency, that reduction shall not be interpreted as a reduction in local support and shall not disqualify a subregional library from receiving state aid under part 1. If a reduction in income affects a library cooperative or district library that is a subregional library's fiscal agency or a reduction in expenditures for the subregional library's fiscal agency, a reduction in expenditures for the subregional library shall not be interpreted as a reduction in local support and shall not disqualify a subregional library from receiving state aid under part 1.

Sec. 602. The funds appropriated in part 1 for a subregional library shall not be released until a budget for that subregional library has been approved by the department for expenditures for library services directly serving the blind and persons with disabilities. Subregional state aid shall be used only for providing services to the blind and to persons with disabilities.

Sec. 603. Of the funds appropriated in part 1 for the operation of the library of Michigan, a portion may be used for statewide database access such as making computerized databases, searches of those databases, and the products of those searches available through the libraries of Michigan. Only those libraries that qualify under the federal library services and technology act, subtitle B of title II of the museum and library services act, title II of the arts, humanities, and cultural affairs act of 1976, Public Law 94-462, 110 Stat. 3009-295, are eligible to participate in these activities.

Sec. 607. The funds appropriated in part 1 for book distribution centers shall be equally distributed to the public enrichment foundation and the Michigan friends of education.

Sec. 609. The appropriation in part 1 for the preservation and access for Michigan project shall be used to digitize materials currently in the possession of public libraries in the state and to preserve, store, and make these digitized images accessible via the Michigan electronic library. The subject materials are to be significant in the state's history, the only existing copies of unique items, or of broad interest to the citizens of Michigan. To the extent possible, the department shall seek to award these funds on an equitable geographic basis given the quality of proposals received. No single recipient shall receive funding in excess of 45% of the total appropriation.

Sec. 610. Of the total appropriation for state aid to cooperative libraries, \$4,334,600.00 shall be distributed at a rate of 43.478 cents per capita for payments as provided under section 13 of the state aid to public libraries act, 1977 PA 89, MCL 397.563, and \$315,200.00 shall be distributed on the basis of \$8.69 per square mile for payments to cooperative libraries as provided under section 16(4) of the state aid to public libraries act, 1977 PA 89, MCL 397.566.

**MACKINAC ISLAND STATE PARK COMMISSION**

Sec. 700. If additional general fund/general purpose funding is appropriated for the Mackinac Island state park commission, a like amount shall be transferred from the Mackinac Island park operation line item in part 1 to the arts and cultural grants and the state aid to libraries line items. The amount shall be equally divided between the appropriations.

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of history, arts, and libraries for the fiscal year ending September 30, 2006; to provide for the expenditure of those appropriations; to provide for the disposition of fees and other income received by the state agencies; to create funds; to provide for the disbursement of certain grants; to provide for reports; to prescribe powers and duties of certain state departments and certain state and local agencies and officers; and to repeal acts and parts of acts.

Thomas M. George  
Michelle McManus  
Conferees for the Senate

Fran Amos  
Shelley Goodman Taub  
Conferees for the House

The Speaker announced that under Joint Rule 9 the conference report would lie over one day.

**Senate Bill No. 275, entitled**

A bill to make appropriations for the judicial branch for the fiscal year ending September 30, 2006; to provide for the expenditure of these appropriations; to place certain restrictions on the expenditure of these appropriations; to prescribe the powers and duties of certain officials and employees; to require certain reports; and to provide for the disposition of fees and other income received by the judicial branch.

The Senate has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect. The Conference Report was read as follows:

**First Conference Report**

The Committee of Conference on the matters of difference between the two Houses concerning **Senate Bill No. 275, entitled**

A bill to make appropriations for the judicial branch for the fiscal year ending September 30, 2006; to provide for the expenditure of these appropriations; to place certain restrictions on the expenditure of these appropriations; to prescribe the powers and duties of certain officials and employees; to require certain reports; and to provide for the disposition of fees and other income received by the judicial branch.

Recommends:

First: That the House recede from the Substitute of the House as passed by the House.

Second: That the Senate and House agree to the Substitute of the Senate as passed by the Senate, amended to read as follows:

A bill to make appropriations for the judicial branch for the fiscal year ending September 30, 2006; to provide for the expenditure of these appropriations; to place certain restrictions on the expenditure of these appropriations; to prescribe the powers and duties of certain officials and employees; to require certain reports; and to provide for the disposition of fees and other income received by the judicial branch.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

**PART 1**

**LINE-ITEM APPROPRIATIONS**

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the judicial branch for the fiscal year ending September 30, 2006, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**JUDICIARY**

**APPROPRIATION SUMMARY:**

Full-time equated exempted positions.....509.0

For Fiscal Year  
Ending Sept. 30,  
2006

GROSS APPROPRIATION.....	\$	255,381,900
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		2,563,500
ADJUSTED GROSS APPROPRIATION .....	\$	252,818,400
Federal revenues:		
Total federal revenues .....		3,926,400
Special revenue funds:		
Total local revenues .....		3,419,100
Total private revenues .....		842,500
Total other state restricted revenues .....		87,015,900
State general fund/general purpose .....	\$	157,614,500
<b>Sec. 102. SUPREME COURT</b>		
Full-time equated exempted positions.....		235.0
Supreme court administration—97.0 FTE positions .....	\$	11,065,700
Judicial institute—16.0 FTE positions .....		2,719,300
State court administrative office—62.0 FTE positions .....		10,393,200
Judicial information systems—18.0 FTE positions .....		2,543,400
Direct trial court automation support—26.0 FTE positions .....		3,419,100
Foster care review board—12.0 FTE positions .....		1,248,600
Community dispute resolution—4.0 FTE positions .....		2,264,700
Other federal grants .....		275,000
Drug treatment courts .....		4,735,000
GROSS APPROPRIATION.....	\$	38,664,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of community health .....		1,800,000
IDG from department of career development .....		40,000
IDG from state police - Michigan justice training fund.....		300,000
Federal revenues:		
DOJ, victims assistance programs .....		50,000
DOJ, drug court training and evaluation .....		300,000
DOT, national highway traffic safety administration.....		100,000
HHS, access and visitation grant.....		387,000
HHS, children's justice grant .....		206,300
HHS, court improvement project.....		1,160,000
HHS, title IV-D child support program .....		907,700
HHS, title IV-E foster care program.....		540,400
Other federal grant revenues .....		275,000
Special revenue funds:		
Local - user fees .....		3,419,100
Private.....		169,000
Private - interest on lawyers trust accounts.....		232,700
Private - state justice institute .....		370,800
Community dispute resolution fund .....		2,264,700
Law exam fees .....		482,100
Drug court fund .....		1,920,500
Miscellaneous revenue .....		227,900
Justice system fund.....		700,000
State court fund.....		339,000
State general fund/general purpose .....	\$	22,471,800
<b>Sec. 103. COURT OF APPEALS</b>		
Full-time equated exempted positions.....		212.0
Court of appeals operations—212.0 FTE positions .....	\$	18,653,000
GROSS APPROPRIATION.....	\$	18,653,000
Appropriated from:		
Special revenue funds:		
Court filing/motion fees .....		1,808,500

For Fiscal Year  
Ending Sept. 30,  
2006

Miscellaneous revenue .....		77,800
State general fund/general purpose .....	\$	16,766,700
<b>Sec. 104. BRANCHWIDE APPROPRIATIONS</b>		
Full-time equated exempted positions.....4.0		
Branchwide appropriations—4.0 FTE positions .....	\$	8,042,300
GROSS APPROPRIATION.....	\$	8,042,300
Appropriated from:		
State general fund/general purpose .....	\$	8,042,300
<b>Sec. 105. JUSTICES' AND JUDGES' COMPENSATION</b>		
Full-time judges positions.....613.0		
Supreme court justices' salaries—7.0 justices.....	\$	1,152,300
Court of appeals judges' salaries—28.0 judges.....		4,240,300
District court judges' state base salaries—258.0 judges.....		23,877,200
District court judicial salary standardization.....		11,796,800
Probate court judges' state base salaries—103.0 judges.....		9,108,600
Probate court judicial salary standardization.....		4,389,800
Circuit court judges' state base salaries—217.0 judges.....		20,440,400
Circuit court judicial salary standardization.....		9,922,100
Judges' retirement system defined contributions.....		2,919,200
OASI, social security .....		4,733,900
GROSS APPROPRIATION.....	\$	92,580,600
Appropriated from:		
Special revenue funds:		
Court fee fund.....		7,090,200
State general fund/general purpose .....	\$	85,490,400
<b>Sec. 106. JUDICIAL AGENCIES</b>		
Full-time equated exempted positions .....		8.0
Judicial tenure commission—8.0 FTE positions.....	\$	1,049,500
GROSS APPROPRIATION.....	\$	1,049,500
Appropriated from:		
State general fund/general purpose .....	\$	1,049,500
<b>Sec. 107. INDIGENT DEFENSE - CRIMINAL</b>		
Full-time equated exempted positions.....50.0		
Appellate public defender program—42.0 FTE positions.....	\$	4,764,500
Appellate assigned counsel administration—8.0 FTE positions .....		869,900
GROSS APPROPRIATION.....	\$	5,634,400
Appropriated from:		
Interdepartmental grant revenues:		
IDG from state police - Michigan justice training fund.....		423,500
Special revenue funds:		
Private - interest on lawyers trust accounts.....		70,000
Miscellaneous revenue .....		113,100
State general fund/general purpose .....	\$	5,027,800
<b>Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE</b>		
Indigent civil legal assistance .....	\$	7,937,000
GROSS APPROPRIATION.....	\$	7,937,000
Appropriated from:		
Special revenue funds:		
State court fund.....		7,937,000
State general fund/general purpose .....	\$	0
<b>Sec. 109. TRIAL COURT OPERATIONS</b>		
Court equity fund reimbursements .....	\$	69,206,000
Judicial technology improvement fund.....		4,465,000
GROSS APPROPRIATION.....	\$	73,671,000
Appropriated from:		
Special revenue funds:		
Court equity fund.....		50,440,000

For Fiscal Year  
Ending Sept. 30,  
2006

Judicial technology improvement fund.....		4,465,000
State general fund/general purpose .....	\$	18,766,000
<b>Sec. 110. GRANTS AND REIMBURSEMENTS TO LOCAL GOVERNMENT</b>		
Drug case-flow program .....	\$	250,000
Drunk driving case-flow program .....		2,300,000
Juror compensation reimbursement .....		6,600,000
Transcript fee reimbursement.....		100
GROSS APPROPRIATION.....	\$	9,150,100
Appropriated from:		
Special revenue funds:		
Drug fund .....		250,000
Drunk driving fund .....		2,300,000
Juror compensation fund .....		6,600,000
Transcript fee fund.....		100
State general fund/general purpose .....	\$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2005-2006 is \$244,630,400.00 and state spending from state resources to be paid to local units of government for fiscal year 2005-2006 is estimated at \$123,762,500.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

JUDICIARY

SUPREME COURT

State court administrative office .....	\$	511,900
Drug treatment courts .....		4,435,000

TRIAL COURT OPERATIONS

Court equity fund reimbursements .....	\$	69,206,000
Judicial technology improvement fund.....		4,465,000

JUSTICES' AND JUDGES' COMPENSATION

District court judicial salary standardization .....	\$	11,796,800
Probate court judges' state base salaries .....		9,108,600
Probate court judicial salary standardization.....		4,389,800
Circuit court judicial salary standardization.....		9,922,100
Grant to OASI contribution fund, employers share, social security.....		777,200

GRANTS AND REIMBURSEMENTS TO LOCAL GOVERNMENT

Drunk driving case-flow program .....	\$	2,300,000
Drug case-flow program .....		250,000
Juror compensation reimbursement .....		6,600,000
Transcript fee fund.....		100
TOTAL .....	\$	123,762,500

Sec. 202. (1) The appropriations authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(2) Funds appropriated in part 1 to an entity within the judicial branch shall not be expended or transferred to another account without written approval of the authorized agent of the judicial entity. If the authorized agent of the judicial entity notifies the state budget director of its approval of an expenditure or transfer, the state budget director shall immediately make the expenditure or transfer. The authorized judicial entity agent shall be designated by the chief justice of the supreme court.

Sec. 203. As used in this act:

- (a) "DOJ" means the United States department of justice.
- (b) "DOT" means the United States department of transportation.
- (c) "FTE" means full-time equated.
- (d) "HHS" means the United States department of health and human services.
- (e) "IDG" means interdepartmental grant.
- (f) "OASI" means old age survivor's insurance.

Sec. 204. The judicial branch shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.



Sec. 208. The reporting requirements of this act shall be completed with the approval of, and at the direction of, the supreme court. Unless otherwise specified, the judicial branch shall use the Internet to fulfill the reporting requirements of this act. This may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an Internet or Intranet site.

Sec. 214. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and comparable quality American goods or services, or both, are available. Preference should be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality.

Sec. 215. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2006 shall be limited to situations in which 1 or more of the following conditions apply:

(a) The travel is required by legal mandate or court order or for law enforcement purposes.

(b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.

(c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.

(d) The travel is necessary to comply with federal requirements.

(e) The travel is necessary to secure specialized training for staff that is not available within this state.

(f) The travel is financed entirely by federal or nonstate funds.

(2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the chief justice or his or her designee may grant an exception to allow the travel. Any exceptions granted by the chief justice or his or her designee shall be reported on a monthly basis to the house and senate appropriations committees.

(3) Not later than January 1 of each year, the state court administrative office shall prepare a travel report listing all travel by judicial branch employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the budget for the judicial branch. The report shall be submitted to the chairs and members of the house and senate appropriations committees, the fiscal agencies, and the state budget director. The report shall include the following information:

(a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.

(b) The destination of each travel occurrence.

(c) The dates of each travel occurrence.

(d) A brief statement of the reason for each travel occurrence.

(e) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

(f) A total of all out-of-state travel funded for the immediately preceding fiscal year.

#### **JUDICIAL BRANCH**

Sec. 301. (1) The direct trial court automation support program of the state court administrative office shall recover direct and overhead costs from trial courts by charging for services rendered. The fee shall cover the actual costs incurred to the direct trial court automation support program in providing the service. A report of amounts collected in excess of funds identified as user service charges in part 1 shall be submitted to the state budget director and to the house and senate appropriations subcommittees on judiciary 30 days before expenditure by the direct trial court automation support program.

(2) From funds appropriated in part 1, the direct trial court automation support program of the state court administrative office shall provide to the state budget director, the senate and house appropriations committees, and the senate and house fiscal agencies before January 1 of each year, a detailed list of user service charges collected during the immediately preceding state fiscal year.

Sec. 302. Funds appropriated within the judicial branch shall not be expended by any component within the judicial branch without the approval of the supreme court.

Sec. 303. Of the amount appropriated in part 1 for the judicial branch, \$325,000.00 is allocated for circuit court reimbursement under section 3 of 1978 PA 16, MCL 800.453, and \$186,900.00 is allocated for court of claims reimbursement under section 6413 of the revised judicature act of 1961, 1961 PA 236, MCL 600.6413.

Sec. 306. The supreme court and the state court administrative office shall continue to maintain, as a priority, the assisting of local trial courts in improving the collection of judgments.

Sec. 307. It is the intent of the legislature that from the funds appropriated in part 1 for court of appeals operations, the judiciary shall use the following revenue amounts for the purpose of delay reduction:

(a) \$225,000.00 of additional filing fee revenue raised from the increase from \$250.00 to \$375.00 in court of appeals filing fees under section 321(1)(a) of the revised judicature act of 1961, 1961 PA 236, MCL 600.321.

(b) \$87,500.00 of additional fee revenue raised from the increase in court of appeals motion fees from \$75.00 to \$100.00 and from the increase from \$150.00 to \$200.00 in fees for motions for immediate consideration or expedited appeal, under section 321(1)(b) and (c) of the revised judicature act of 1961, 1961 PA 236, MCL 600.321.

Sec. 308. If sufficient funds are not available from the court fee fund to pay judges' compensation, the difference between the appropriated amount from that fund for judges' compensation and the actual amount available after the amount appropriated for trial court reimbursement is made shall be appropriated from the state general fund for judges' compensation.

Sec. 310. From the funds appropriated in part 1 for drug treatment court programs, under the direction of the supreme court, the state court administrative office shall contract with 1 or more independent third parties for evaluation and monitoring of drug court programs funded by the judiciary. The evaluation shall include measures of the impact of drug court programs in changing offender criminal involvement (recidivism) and substance abuse and in reducing prison admissions. The evaluation of a program funded with federal Byrne funds shall be consistent with any requirements contained in the federal Byrne grant for that program. Evaluations required by this section shall to the extent feasible compare offenders treated under the programs with other offenders of similar characteristics. Not later than April 1, 2006, the state court administrative office shall provide a progress report regarding the status and findings of the evaluation to the senate and house appropriations subcommittees on the judiciary, the senate and house fiscal agencies, and the state budget director.

Sec. 311. (1) The funds appropriated in part 1 for drug treatment courts shall be administered by the state court administrative office to operate drug treatment court programs. A drug treatment court program shall not receive funds for more than 5 years. A drug treatment court shall be responsible for handling cases involving substance abusing nonviolent offenders through comprehensive supervision, testing, treatment services, and immediate sanctions and incentives. A drug treatment court shall use all available county and state personnel involved in the disposition of cases including, but not limited to, parole and probation agents, prosecuting attorneys, defense attorneys, and community corrections providers. The funds may be used in connection with other federal, state, and local funding sources.

(2) Local units of government are encouraged to refer to federal drug treatment court guidelines to prepare proposals. However, federal agency approvals are not required for funding under this section.

(3) From the funds appropriated in part 1, the chief justice shall allocate sufficient funds for the judicial institute to provide in-state training for those identified in subsection (1), including training for new drug treatment court judges.

(4) For drug treatment court grants, consideration for priority may be given to those courts where higher instances of substance abuse cases are filed.

(5) The judiciary shall receive \$1,800,000.00 in Byrne formula grant funding as an interdepartmental grant from the department of community health to be used for expansion of drug treatment courts, to assist in avoiding prison bed space growth for nonviolent offenders in collaboration with the department of corrections.

Sec. 312. From the funds appropriated in part 1, the state court administrator shall produce a statistical report regarding the implementation of the parental rights restoration act, 1990 PA 211, MCL 722.901 to 722.908, as it pertains to minors seeking a court-issued waiver of parental consent. The state court administrative office shall report the total number of petitions filed and the total number of petitions granted in accordance with section 208.

Sec. 317. From the funds appropriated in part 1 for transcript fee reimbursement, the judiciary shall reimburse counties for additional costs incurred in the event of a statutory increase in transcript fees under section 2543 of the revised judicature act of 1961, 1961 PA 236, MCL 600.2543.

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the judicial branch for the fiscal year ending September 30, 2006; to provide for the expenditure of these appropriations; to place certain restrictions on the expenditure of these appropriations; to prescribe the powers and duties of certain officials and employees; to require certain reports; and to provide for the disposition of fees and other income received by the judicial branch.

Alan L. Cropsey  
Bill Hardiman  
Michael Switalski  
Conferees for the Senate

Glenn Steil, Jr.  
John Stewart  
Conferees for the House

The Speaker announced that under Joint Rule 9 the conference report would lie over one day.

#### **Senate Bill No. 277, entitled**

A bill to make appropriations for the department of military affairs and certain other state purposes for the fiscal year ending September 30, 2006; to provide for the expenditure of the appropriations; and to provide for the disposition of fees and other income received by the various state agencies.

The Senate has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

The Conference Report was read as follows:

**First Conference Report**

The Committee of Conference on the matters of difference between the two Houses concerning **Senate Bill No. 277, entitled**

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2006; to provide for the expenditure of the appropriations; to provide for certain powers and duties of the department of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

Recommends:

First: That the House recede from the Substitute of the House as passed by the House.

Second: That the Senate and House agree to the Substitute of the Senate as passed by the Senate, amended to read as follows:

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2006; to provide for the expenditure of the appropriations; to provide for certain powers and duties of the department of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of military and veterans affairs for the fiscal year ending September 30, 2006, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

APPROPRIATION SUMMARY:

Full-time equated unclassified positions .....	7.0	
Full-time equated classified positions .....	1,016.0	
<b>GROSS APPROPRIATION</b> .....		\$ 117,699,400
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		1,656,800
<b>ADJUSTED GROSS APPROPRIATION</b> .....		\$ 116,042,600
Federal revenues:		
Total federal revenues .....		49,537,200
Special revenue funds:		
Total local revenues .....		0
Total private revenues .....		1,355,800
Total other state restricted revenues .....		27,360,500
State general fund/general purpose .....		\$ 37,789,100

**Sec. 102. HEADQUARTERS AND ARMORIES**

Full-time equated unclassified positions .....	7.0	
Full-time equated classified positions .....	124.0	
Headquarters and armories—83.5 FTE positions .....		\$ 9,929,800
Unclassified military personnel.....		660,300
Military appeals tribunal .....		900
Michigan emergency volunteers.....		5,000
State active duty .....		85,100
Challenge program—40.5 FTE positions .....		4,035,900
Homeland security .....		1,000,000
Human resources optimization user charge .....		29,500
Military family relief fund .....		600,000
<b>GROSS APPROPRIATION</b> .....		\$ 16,346,500

Appropriated from:

IDG, challenge grant.....	250,800
IDG, community health.....	100,000
IDG, state police .....	900,000
IDG, human services.....	406,000

For Fiscal Year  
Ending Sept. 30,  
2006

Federal revenues:	
DOD-DOA-NGB.....	4,356,300
Special revenue funds:	
Rental fees.....	350,000
Mackinac Bridge authority.....	55,000
Private donations.....	790,800
Military family relief fund.....	600,000
Parent pay revenue.....	100,000
State general fund/general purpose.....	\$ 8,437,600
<b>Sec. 103. MILITARY TRAINING SITES AND SUPPORT FACILITIES</b>	
Full-time equated classified positions.....200.0	
Military training sites and support facilities—200.0 FTE positions.....	\$ 20,009,800
Military training sites and support facilities test projects.....	100,000
GROSS APPROPRIATION.....	\$ 20,109,800
Appropriated from:	
Federal revenues:	
DOD-DOA-NGB.....	17,471,400
Special revenue funds:	
Test project fees.....	100,000
State general fund/general purpose.....	\$ 2,538,400
<b>Sec. 104. DEPARTMENTWIDE APPROPRIATIONS</b>	
Departmentwide accounts.....	\$ 1,656,500
Special maintenance - state.....	151,200
Special maintenance - federal.....	5,300,000
Military retirement.....	2,807,000
Counter narcotic operations.....	50,000
Starbase grant.....	640,000
GROSS APPROPRIATION.....	\$ 10,604,700
Appropriated from:	
Federal revenues:	
DOD-DOA-NGB.....	7,206,100
Federal counternarcotic revenues.....	50,000
State general fund/general purpose.....	\$ 3,348,600
<b>Sec. 105. VETERANS SERVICE ORGANIZATIONS</b>	
American legion.....	\$ 886,000
Disabled American veterans.....	732,400
Marine corps league.....	336,300
American veterans of World War II and Korea.....	464,800
Veterans of foreign wars.....	886,000
Michigan paralyzed veterans of America.....	165,700
Purple heart.....	157,900
Veterans of World War I.....	100
Polish legion of American veterans.....	41,200
Jewish veterans of America.....	41,200
State of Michigan council - Vietnam veterans of America.....	159,500
Catholic war veterans.....	41,200
GROSS APPROPRIATION.....	\$ 3,912,300
Appropriated from:	
State general fund/general purpose.....	\$ 3,912,300
<b>Sec. 106. GRAND RAPIDS VETERANS' HOME</b>	
Full-time equated classified positions.....517.0	
Grand Rapids veterans' home—517.0 FTE positions.....	\$ 45,416,700
Board of managers.....	415,000
GROSS APPROPRIATION.....	\$ 45,831,700
Appropriated from:	
Federal revenues:	
DVA-VHA.....	14,191,900

For Fiscal Year  
Ending Sept. 30,  
2006

HHS, Medicaid .....	381,200
HHS, Medicare .....	749,400
Special revenue funds:	
Private - veterans' home post and posthumous funds.....	340,000
Income and assessments.....	16,006,400
Military family relief fund .....	75,000
Lease revenue .....	35,000
State general fund/general purpose .....	\$ 14,052,800
<b>Sec. 107. D.J. JACOBETTI VETERANS' HOME</b>	
Full-time equated classified positions.....159.0	
D.J. Jacobetti veterans' home—159.0 FTE positions .....	\$ 14,371,300
Board of managers.....	200,000
<b>GROSS APPROPRIATION.....</b>	<b>\$ 14,571,300</b>
Appropriated from:	
Federal revenues:	
DVA-VHA .....	4,262,100
HHS, Medicare .....	367,100
HHS, Medicaid .....	87,700
Special revenue funds:	
Private - veterans' home post and posthumous funds.....	125,000
Military family relief fund .....	75,000
Income and assessments.....	4,840,400
State general fund/general purpose .....	\$ 4,814,000
<b>Sec. 108. VETERANS' AFFAIRS DIRECTORATE</b>	
Full-time equated classified positions.....16.0	
Veterans' affairs directorate administration—3.0 FTE positions .....	\$ 316,300
Veterans' trust fund administration—13.0 FTE positions.....	1,141,100
Veterans' trust fund grants .....	3,746,500
<b>GROSS APPROPRIATION.....</b>	<b>\$ 5,203,900</b>
Appropriated from:	
Special revenue funds:	
Michigan veterans' trust fund .....	4,887,600
State general fund/general purpose .....	\$ 316,300
<b>Sec. 109. INFORMATION TECHNOLOGY</b>	
Information technology services and projects .....	\$ 1,119,200
<b>GROSS APPROPRIATION.....</b>	<b>\$ 1,119,200</b>
Appropriated from:	
Federal revenues:	
DOD-DOA-NGB.....	109,100
DVA-VHA .....	296,300
HHS, Medicare .....	8,600
Special revenue funds:	
Income and assessments.....	336,100
State general fund/general purpose .....	\$ 369,100

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2005-2006 is \$65,149,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2005-2006 is \$120,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS  
MILITARY TRAINING SITES AND SUPPORT FACILITIES

Payments in lieu of taxes .....	\$ 70,000
<b>MICHIGAN VETERANS' TRUST FUND</b>	
County counselor travel expenses .....	\$ 50,000
<b>TOTAL .....</b>	<b>\$ 120,000</b>

Sec. 202. The appropriations authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this act:

- (a) "Department" means the department of military and veterans affairs.
- (b) "Director" means the director of the department of military and veterans affairs.
- (c) "DOD" means the United States department of defense.
- (d) "DOD-DOA-NGB" means the DOD department of the army, national guard bureau.
- (e) "DVA" means the United States department of veterans' affairs.
- (f) "DVA-VHA" means the DVA veterans' health administration.
- (g) "FTE" means full-time equated.
- (h) "HHS" means the United States department of health and human services.
- (i) "IDG" means interdepartmental grant.

Sec. 204. The department of civil service shall bill the department at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 205. (1) Beginning October 1, a hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.

(2) The state budget director shall grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, cause loss of revenue to the state, result in the inability of the state to receive federal funds, or necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report by the last business day of each month to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous month and the justification for the exception.

Sec. 207. Sixty days before beginning any effort to privatize, the department shall submit a complete project plan to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies within 30 months.

Sec. 208. Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this act. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an Internet or Intranet site.

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference should be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable value.

Sec. 210. The director of each department receiving appropriations in part 1 shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 211. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow all federal guidelines and state laws regarding short-term and long-term retention of records.

Sec. 212. (1) Of the funds appropriated in section 103 for military training sites and support facilities, there shall be established a Michigan national guard education assistance program. Disbursements to the educational assistance program shall not exceed \$1,100,000.00 without legislative approval. Under the program, a member of the national guard who is in active service and who enrolls as a full- or part-time student at a public or private state college or university may be eligible to receive up to an equivalent of 50% of the total cost of tuition not to exceed \$2,000.00, as education assistance, in any academic year.

(2) As used in this section, an eligible person means a member of the Michigan national guard who is in active service, as defined in section 105 of the Michigan military act, 1967 PA 150, MCL 32.505. An eligible person does not include a member of the Michigan national guard or air national guard who is absent without leave or who is under charges as described in the Michigan code of military justice of 1980, 1980 PA 523, MCL 32.1001 to 32.1148.

(3) The department of military and veterans affairs, office of the adjutant general shall administer the education assistance program and prescribe forms and procedures to effectively carry out the education assistance program.

(4) An eligible person shall apply to the department of military and veterans affairs, office of the adjutant general for education assistance and shall provide evidence of attendance and completion of the course of study with a grade of at least 2.0 on a 4.0 scale, or its equivalent. The adjutant general shall approve the application for reimbursement if

the applicant meets the definition of an eligible person under subsection (2) and other criteria as established by the adjutant general.

(5) The education assistance program applies to any course of instruction that is included in an associate, undergraduate, or postgraduate degree program offered by a college or university of this state.

(6) The education assistance program applies to an eligible person notwithstanding any other educational incentive or benefit received by the eligible person under any other educational assistance program provided by any other state.

(7) An eligible person who successfully completes the course of study with a grade of at least 2.0 on a 4.0 scale, or its equivalent, shall be eligible for reimbursement.

(8) The department of military and veterans affairs may use funds from the appropriated funds to administer the education assistance program.

(9) Reimbursed members who do not complete their national guard obligation shall pay the state for money received from the state for tuition. Members who fail to repay the state within the time limits established by the adjutant general shall be indebted to the state. The department shall work in conjunction with the department of treasury for inclusion in the tax intercept program for amounts due the state.

(10) A portion of the funds for the Michigan national guard education assistance program may be used by the department for the purpose of promoting the program and for encouraging those persons the department wishes to have enlist or reenlist in the Michigan national guard.

Sec. 213. The department shall consult with the house and senate appropriations subcommittees on military and veterans affairs regarding the projected closing or consolidation of any national guard armories.

Sec. 214. It is the intent of the legislature that, should the necessary legislation be enacted and funding become available, funds be appropriated for state military cemeteries in Crawford and Dickinson Counties.

Sec. 221. From the funds appropriated in part 1 for information technology, the department shall pay user fees to the department of information technology for technology-related services and projects. These user fees shall be subject to provisions of an interagency agreement between the department and the department of information technology.

Sec. 223. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 225. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2006 shall be limited to situations in which 1 or more of the following conditions apply:

(a) The travel is required by legal mandate or court order or for law enforcement purposes.

(b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.

(c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.

(d) The travel is necessary to comply with federal requirements.

(e) The travel is necessary to secure specialized training for staff that is not available within this state.

(f) The travel is financed entirely by federal or nonstate funds.

(2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the state budget director may grant an exception to allow the travel. Any exceptions granted by the state budget director shall be reported on a monthly basis to the house and senate appropriations committees.

(3) Not later than January 1 of each year, each department shall prepare a travel report listing all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the chairs and members of the house and senate appropriations committees, the fiscal agencies, and the state budget director. The report shall include the following information:

(a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.

(b) The destination of each travel occurrence.

(c) The dates of each travel occurrence.

(d) A brief statement of the reason for each travel occurrence.

(e) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

(f) A total of all out-of-state travel funded for the immediately preceding fiscal year.

Sec. 226. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 227. Sixty days prior to the public announcement of the intention to sell any department property, the department shall submit notification of that intent to the appropriate senate and house appropriations subcommittees and the senate and house fiscal agencies.

**HEADQUARTERS AND ARMORIES**

Sec. 301. The department may charge reasonable rental and equipment usage fees for renting an armory or using the distance learning network. The fee shall include the cost of overtime compensation, insurance coverage, and any maintenance required.

Sec. 302. (1) The funds appropriated in this act for private donations to the challenge program shall be considered state restricted revenue, and unexpended funds remaining at the close of the fiscal year shall not lapse to the general fund but shall be carried forward to the subsequent fiscal year.

(2) The department shall make every effort to identify alternative sources of revenue to replace the general fund/general purpose funding provided in this act for the challenge program.

(3) The department may charge a parent or guardian of a participant in the challenge program a fee for participating in the program if the participant is a member of a family with an income that exceeds 200% of the federal poverty guidelines as published by the United States department of health and human services. The amount charged the parent or guardian shall not exceed the per student state share cost of administering the program. The parent or guardian shall be notified of any charge to be assessed under this subsection prior to enrollment of the child in the program.

Sec. 304. The department will partner with the department of human services to identify youth who may be eligible for the challenge program from those youth served by department of human services programs. These eligible youth shall be given priority for enrollment in the program.

**VETERANS SERVICE ORGANIZATIONS**

Sec. 501. (1) Money appropriated in part 1 for grants to veterans service organizations shall be used only for salaries, wages, related personnel costs, training, and equipment for accredited veteran service advocacy officers and necessary support and managerial staff. Training shall be provided for service advocacy officers and shall be conducted by accredited advocacy officers.

(2) To receive a grant from the money appropriated in part 1, a veterans service organization shall meet the following eligibility requirements:

(a) Be congressionally chartered by the United States congress.

(b) Be an active participating member of the Michigan veterans organizations' rehabilitation and veterans service committee and abide by its rules, guidelines, and programs.

(c) Demonstrate the receipt of monetary or service support from its own organization.

(d) Comply with the department's and the legislature's requirements of accounting audits, service work activity, accounting of recoveries, listing of volunteer hours, budget requests, and other requirements specified in subsection (3).

(e) For a veterans service organization founded after September 30, 1989, be in operation and providing service to Michigan veterans for not less than 2 years before receiving an initial state grant. During this 2-year period of time, the organization shall file a listing of service work activity and an accounting of recoveries with the department, the senate and house fiscal agencies, the senate and house of representatives appropriations subcommittees on military affairs, and the state budget office on forms as prescribed by the department.

(3) A veterans service organization receiving a grant from the money appropriated in part 1 shall file with the department an accounting of its expenditures, audited and certified by a certified public accountant, within 120 days after the organization's fiscal year end. Each organization shall provide a detailed budget request for the fiscal year ending September 30, 2007 to the department by November 15, 2005. Each veterans service organization shall provide 5 copies of a listing of all service activity, an accounting of recoveries, and a listing of volunteer hours for the fiscal year ending September 30, 2005 to the department by January 31, 2006. The listing of volunteer hours shall include the hours, services, and donations provided to residents of the Grand Rapids veterans' home and the D.J. Jacobetti veterans' home. Each veterans service organization shall provide a copy of the most recent and completed internal revenue service form 990 to the department at the end of the fiscal year ending September 30, 2005. A veterans service organization receiving a grant from the money appropriated in part 1 shall use the forms recommended by the Michigan veterans organizations rehabilitation and veterans service committee for filing reports required by this article. The department shall forward information required under this section to the senate and house fiscal agencies, the senate and house of representatives appropriations subcommittees on military affairs, and the state budget office.

(4) The veterans service directors committee and the department shall take steps to improve the coordination of veterans benefits counseling in the state to maximize the effective and efficient use of taxpayer dollars in this goal and to ensure that every veteran is served.

(5) To accomplish the goal of subsection (4), the veterans service directors committee and the department shall take steps to increase their responsibility in the administration, management, oversight, and outreach of the delivery of services to veterans. The veterans service directors committee and the department shall involve county veterans counselors and representatives from the Michigan veterans trust fund to work in concert to identify, implement, and evaluate steps to do all of the following:

(a) Increase the veterans service directors committee and the department's role in working directly with the United States department of veterans' affairs to enhance the delivery of services to Michigan veterans.



(b) Increase the number of initial claims filed with the United States department of veterans' affairs on behalf of veterans for service-connected disability or pension benefits. The veterans service directors committee and the department may work toward either an absolute increase of approved claims or an increase in the percentage of Michigan veterans with approved claims.

(c) Develop methods to increase rates of recovery paid by the United States department of veterans' affairs to Michigan veterans either by an increase in compensation paid per approved claim or increase in compensation paid on a per capita basis.

(d) Expand training opportunities for veterans service organization service officers.

(e) Increase either the number or percentage of Michigan veterans enrolled in the VA healthcare system.

(f) Publicize the availability, benefit, and value of burial in the Fort Custer and Great Lakes national cemeteries.

(g) Review each grant recipient's performance under the program and require that performance be a major consideration in the future funding of each grant recipient.

(6) The veterans service directors committee and the department shall create a report of the efforts to complete the goals outlined in this section and shall provide suggestions on how a more effective and efficient veterans' benefits counseling program may best be designed for implementation for fiscal year 2006-2007. This report shall be delivered to the house and senate appropriations subcommittees no later than March 15, 2006.

#### **VETERANS' HOMES**

Sec. 601. Appropriations in this act for the Grand Rapids veterans' home and the D.J. Jacobetti veterans' home shall not be used for any purpose other than for veterans and veterans' families.

Sec. 602. The Grand Rapids veterans' home and the D.J. Jacobetti veterans' home, together with the department and the department of management and budget, shall produce and deliver to the senate and house of representatives appropriations subcommittees on state police and military affairs an annual written report. The report shall include an accounting of member populations and bed space available; a description and accounting of services and activities provided to members; financial information; current state nursing home licensure status; the steps required for Medicaid certification, including a listing of any personnel, equipment, supplies, or budgetary increases required; and whether or not steps are being taken toward Medicaid certification. The annual report shall be submitted to the senate and house of representatives appropriations subcommittees on military affairs no later than February 1, 2006.

Sec. 603. The money appropriated in this act for the boards of managers may be expended for facility improvements, the purchase and repair of equipment and furnishings, member services, and other purposes that benefit the Grand Rapids veterans' home and the D.J. Jacobetti veterans' home.

#### **VETERANS' TRUST FUND**

Sec. 703. (1) By April 1, 2006, the department shall submit to the senate and house of representatives appropriations subcommittees on military affairs and the state budget office a detailed annual report of the Michigan veterans' trust fund for fiscal year 2004-2005. The report shall include information on grants provided from the emergency grant program and the veterans survivor tuition program, including details concerning the methodology of allocations, the selection of emergency grant program authorized agents, and a detailed breakdown of trust fund expenditures for that year. The report shall also provide an update on the department's efforts to reduce program administrative costs.

(2) The annual report required under subsection (1) shall contain information on the veterans survivors tuition program, including the number of participants, where the participants attended school, payments made to each school, the average grade point and number of college credits earned by each participant, the number of participants suspended by the program, and the number of participants who earned a degree during fiscal year 2004-2005.

Sec. 704. The Michigan veterans affairs directorate administration and the Michigan veterans' trust fund administration shall take steps to assist the county veterans counselors of the state to obtain training necessary for the execution of their duties.

Sec. 705. (1) It is the intent of the legislature that prior to the enactment of the fiscal year 2006-2007 appropriations bill for the Michigan veterans' trust fund, there shall be legislation enacted which shall provide a dedicated funding source for the cost of the veterans' survivors tuition program which is a fund source other than from revenue from the Michigan veterans' trust fund so that annual interest earnings from the trust fund can be used solely for its original intent of providing temporary emergency financial assistance to wartime veterans in the state.

(2) Should the provisions of subsection (1) be enacted, it is the intent of the legislature that the veterans' trust fund board only expend interest earned by the Michigan veterans' trust fund as provided in 1946 (1st Ex Sess) PA 9, MCL 35.601a to 35.610, and that the board earmark funds each year from the interest earnings to pay into the corpus of the fund until the corpus of the fund reaches its original amount of \$50,000,000.00.

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2006; to provide for the expenditure of the appropriations; to provide for certain powers and duties of the department

of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

Cameron Brown  
 Tony Stamas  
 Hansen Clarke  
 Conferees for the Senate

Bill Caul  
 Howard Walker  
 Michael Sak  
 Conferees for the House

The Speaker announced that under Joint Rule 9 the conference report would lie over one day.

### Reports of Standing Committees

The Committee on Natural Resources, Great Lakes, Land Use, and Environment, by Rep. Palsrok, Chair, reported **House Bill No. 5176, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," (MCL 324.101 to 324.90106) by adding section 11526e.

With the recommendation that the substitute (H-1) 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. Palsrok, Pavlov, Meyer, Palmer, LaJoy, Ward, Elsenheimer, Moore, Pearce, Gillard, Byrnes, Kathleen Law and Donigan

Nays: None

The Committee on Natural Resources, Great Lakes, Land Use, and Environment, by Rep. Palsrok, Chair, reported **House Bill No. 5177, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 11549 (MCL 324.11549).

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. Palsrok, Pavlov, Meyer, Palmer, LaJoy, Ward, Elsenheimer, Moore, Pearce, Gillard, Byrnes, Kathleen Law and Donigan

Nays: None

The Committee on Natural Resources, Great Lakes, Land Use, and Environment, by Rep. Palsrok, Chair, reported **House Bill No. 5178, entitled**

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 13c of chapter XVII (MCL 777.13c), as amended by 2004 PA 382.

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. Palsrok, Pavlov, Meyer, Palmer, LaJoy, Ward, Elsenheimer, Moore, Pearce, Gillard, Byrnes, Kathleen Law and Donigan

Nays: None

## COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Palsrok, Chair, of the Committee on Natural Resources, Great Lakes, Land Use, and Environment, was received and read:

Meeting held on: Thursday, September 15, 2005

Present: Reps. Palsrok, Pavlov, Meyer, Palmer, LaJoy, Ward, Elsenheimer, Moore, Pearce, Gillard, Byrnes, Kathleen Law and Donigan

Absent: Reps. Miller and Bennett

Excused: Reps. Miller and Bennett

**Messages from the Senate****House Bill No. 4834, entitled**

A bill to regulate the business of providing deferred presentment service transactions; to require the licensing of providers of deferred presentment service transactions; to prescribe powers and duties of certain state agencies and officials; and to prescribe penalties and provide remedies.

The Senate has appointed Senator Gilbert to replace Senator Jelinek as conferee.

The message was referred to the Clerk for record.

---

Rep. Green moved that the House adjourn.

The motion prevailed, the time being 12:15 p.m.

Associate Speaker Pro Tempore Caswell declared the House adjourned until Tuesday, September 20, at 1:00 p.m.

GARY L. RANDALL  
Clerk of the House of Representatives

