

**No. 56**  
**STATE OF MICHIGAN**  
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**REGULAR SESSION OF 2009**

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Senate Chamber, Lansing, Wednesday, June 24, 2009.

10:00 a.m.

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

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

Allen—present  
Anderson—present  
Barcia—present  
Basham—present  
Birkholz—present  
Bishop—present  
Brater—present  
Brown—present  
Cassis—present  
Cherry—present  
Clark-Coleman—present  
Clarke—present  
Cropsey—present

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

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

Senator Tony Stamas of the 36th District offered the following invocation:

Lord, we just thank You for this beautiful day. We thank You for summer, and we thank You for the grass growing, the trees blooming, and the flowers coming out. Lord, we just thank You for all of the glory that You show us on a daily basis whether we take the time to see it or not. We thank You for Your grace. We thank You for this great nation and this great state.

We thank You for the honor and responsibility of playing an important role. We just pray for Your guidance in the decisions that we make. We pray that we might have a servant's heart and, Lord, that we might make the difficult and tough decisions that we need to move this state forward.

We just pray that we might hear Your voice, hear Your will, and do Your work. We pray this in Your holy name. Amen.

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

### Motions and Communications

Senators Kuipers, Gleason and Barcia entered the Senate Chamber.

### Recess

Senator Cropsey moved that the Senate recess subject to the call of the Chair. The motion prevailed, the time being 10:05 a.m.

12:49 p.m.

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

During the recess, Senators Hardiman, George, Allen, Pappageorge, Van Woerkom, Bishop, Kahn, Cassis, Jansen, Brown and Birkholz entered the Senate Chamber.

The Secretary announced that the Majority Leader has made the appointment of the following standing committee:  
**Appropriations** - Senator Gilbert replacing Senator Garcia.  
The standing committee appointment was approved, a majority of the members serving voting therefor.

Senator Cropsey moved that the Committee on Commerce and Tourism be discharged from further consideration of the following bills and resolutions:

**Senate Bill No. 612, entitled**

A bill to amend 1936 (Ex Sess) PA 1, entitled "Michigan employment security act," by amending section 62 (MCL 421.62), as amended by 1995 PA 125.

**Senate Bill No. 613, entitled**

A bill to amend 1936 (Ex Sess) PA 1, entitled "Michigan employment security act," by amending section 54 (MCL 421.54), as amended by 2002 PA 192.

**Senate Bill No. 614, entitled**

A bill to amend 1936 (Ex Sess) PA 1, entitled "Michigan employment security act," by amending section 15 (MCL 421.15), as amended by 1996 PA 498.

**Senate Bill No. 615, entitled**

A bill to amend 1936 (Ex Sess) PA 1, entitled "Michigan employment security act," by amending section 10 (MCL 421.10), as amended by 2003 PA 84.

**Senate Resolution No. 59.**

A resolution to memorialize the Congress of the United States to authorize the use of federal stimulus dollars to offset the looming FUTA federal unemployment tax increase and to urge the Governor to use her influence in the current administration to zealously advocate for such relief for Michigan job providers.

**Senate Resolution No. 60.**

A resolution to memorialize the Congress of the United States to remove the requirement that states make permanent changes to their 100 percent employer-financed unemployment insurance laws to expand unemployment benefits to individuals who are not currently eligible in order to qualify for the state’s portion of one-time unemployment benefit funding and to urge the Governor to use her influence in the current administration to secure a waiver for Michigan from these requirements.

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

Senator Thomas moved that the Committee on Commerce and Tourism be discharged from further consideration of the following bills:

**House Bill No. 4785, entitled**

A bill to amend 1936 (Ex Sess) PA 1, entitled “Michigan employment security act,” by amending section 27 (MCL 421.27), as amended by 2002 PA 192.

**House Bill No. 4786, entitled**

A bill to amend 1936 (Ex Sess) PA 1, entitled “Michigan employment security act,” by amending section 28 (MCL 421.28), as amended by 1994 PA 422.

On which motion Senator Cherry moved that the previous question be ordered.

The motion did not prevail.

The question being on the motion to discharge,

The motion did not prevail, a majority of the members serving not voting therefor.

Senator Thomas requested the yeas and nays.

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

The motion did not prevail, a majority of the members serving not voting therefor, as follows:

**Roll Call No. 296**

**Yeas—15**

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

**Nays—20**

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

**Excused—0**

**Not Voting—2**

Barcia

Garcia

In The Chair: President

Senator Cropsey moved that Senator Garcia be excused from today's session.  
The motion prevailed.

Senator Thomas moved that Senator Barcia be temporarily excused from the balance of today's session.  
The motion prevailed.

The question being on the motion to discharge the Committee on Commerce and Tourism from further consideration of the bills,

Senator Thomas requested the yeas and nays.

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

The motion did not prevail, a majority of the members serving not voting therefor, as follows:

**Roll Call No. 297****Yeas—15**

Anderson  
Basham  
Brater  
Cherry

Clark-Coleman  
Clarke  
Gleason  
Hunter

Jacobs  
Olshove  
Prusi  
Scott

Switalski  
Thomas  
Whitmer

**Nays—20**

Allen  
Birkholz  
Bishop  
Brown  
Cassis

Cropsey  
George  
Gilbert  
Hardiman  
Jansen

Jelinek  
Kahn  
Kuipers  
McManus  
Pappageorge

Patterson  
Richardville  
Sanborn  
Stamas  
Van Woerkom

**Excused—2**

Barcia

Garcia

**Not Voting—0**

In The Chair: President

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

The motion prevailed.

Senator Prusi's statement is as follows:

I rise to speak to the urgency of this discharge. I believe under Statements yesterday my colleague from Genesee County, Senate District No. 26, spoke about the recent unemployment numbers that were released by the Department of Energy, Labor, and Economic Growth—14.1 percent here in Michigan the highest it's been since 1983. I would like to bring you back to 1983 because, in 1983, I was 1 of 3,500 iron ore miners laid off at the Marquette Range in the Upper Peninsula.

I went through an extended period of unemployment. The only thing that helped keep my family together was the fact that I had extended unemployment benefits. There were 3,500 iron ore miners laid off, and you could not find a job in

the Upper Peninsula to save your soul. Eventually, I ended up moving to Colorado to find work. I don't want to see the working families of Michigan go through the summer and into the fall waiting for this body to do something.

I believe there is a degree of urgency when you consider that thousands of Michigan working families are losing their unemployment benefits as each week elapses. When my unemployment benefits elapsed, I had to leave a 3- and 4-year-old daughter behind in the Upper Peninsula to go and find work. I do not want to see the working families of Michigan subjected to that same trauma that I was subjected to 26 years ago.

We have a fix here before us. If we can take these bills up; pass these unemployment extension benefits; allow people who have no job to get trained for a job; allow people to support their families as we go through this troubled turbulent economic time, I think that makes imminent sense. I think it is what this body should stand for. I think it's what this caucus stands for. I would urge the members to support this discharge.

These bills have sat long enough. Thousands of people are going without unemployment benefits because we refuse to act in this chamber, and I think now is the time to act before we break for the summer; before we let these families go without the unemployment benefits that support them and support their children.

The President pro tempore, Senator Richardville, assumed the Chair.

Senator Cropsey moved that the Committee on Hunting, Fishing and Outdoor Recreation be discharged from further consideration of the following bill:

**House Bill No. 4897, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 40116 (MCL 324.40116), as amended by 2004 PA 325.

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

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

**House Bill No. 4897**

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

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

**House Bill No. 4166**

**House Bill No. 4607**

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

The Secretary announced that the following House bills were received in the Senate and filed on Tuesday, June 23:

**House Bill Nos. 4744 5087**

By unanimous consent the Senate proceeded to the order of

**General Orders**

Senator Cropsey moved that the Senate resolve itself into the Committee of the Whole for consideration of the General Orders calendar.

The motion prevailed, and the President pro tempore, Senator Richardville, designated Senator Allen as Chairperson.

After some time spent therein, the Committee arose; and, the President pro tempore, Senator Richardville, having resumed the Chair, the Committee reported back to the Senate, favorably and without amendment, the following bills:

**House Bill No. 4166, entitled**

A bill to require disclosure of certain information in connection with refund anticipation loans; and to prescribe penalties.

**House Bill No. 4607, entitled**

A bill to prescribe certain duties and obligations of the parties to a refund anticipation loan; and to prescribe penalties.

**House Bill No. 4897, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 40116 (MCL 324.40116), as amended by 2004 PA 325.

**House Bill No. 4450, entitled**

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 710d (MCL 257.710d), as amended by 1999 PA 29.

The bills were placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:

**House Bill No. 4437, entitled**

A bill to make appropriations for the department of corrections and certain state purposes related to corrections for the fiscal year ending September 30, 2010; to provide for the expenditure of the appropriations; to provide for reports; to provide for the creation of certain advisory committees and boards; to prescribe certain powers and duties of the department of corrections, certain other state officers and agencies, and certain advisory committees and boards; to provide for the collection of certain funds; and to provide for the disposition of fees and other income received by certain state agencies.

Substitute (S-1).

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

1. Amend page 4, line 22, by striking out "12,500,000" and inserting "4,500,000" and adjusting the subtotals, totals, and section 201 accordingly.

2. Amend page 27, line 9, after "part 1," by striking out "\$12,500,000.00" and inserting "\$4,500,000.00".

3. Amend page 70, following line 3, by inserting:

"Sec. 921. (1) By April 30, 2010, the department shall report to the chairs of the senate and house appropriations committees, the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the following:

(a) The actual savings realized between October 1, 2009 and April 1, 2010 as a result of closing correctional facilities and correctional camps between June 1, 2009 and January 1, 2010, itemized by correctional facility or correctional camp.

(b) The projected fiscal year 2009-2010 savings by closing correctional facilities and correctional camps between June 1, 2009 and January 1, 2010, itemized by correctional facility or correctional camp.

(2) The report in subsection (1) shall include information on all of the following:

(a) The savings realized or projected to be realized, itemized by program or type of expenditure.

(b) Any cost of field supervision, field operations programs, or prisoner reintegration programs related to the closure of correctional facilities and correctional camps between June 1, 2009 and January 1, 2010."

The Senate agreed to the substitute, as amended, recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:

**House Bill No. 4446, entitled**

A bill to make appropriations for the departments of environmental quality and natural resources for the fiscal year ending September 30, 2010; to provide for the expenditure of those appropriations; to create funds and accounts; to require reports; to prescribe certain powers and duties of certain state agencies and officials; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by the various state agencies.

Substitute (S-1).

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

1. Amend page 15, line 10, by striking out "7,207,600" and inserting "7,207,500".

2. Amend page 15, line 13, by striking out "100" and inserting "200" and adjusting the subtotals, totals, and section 201 accordingly.

The Senate agreed to the substitute, as amended, recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:

**House Bill No. 4436, entitled**

A bill to make appropriations for the department of community health and certain state purposes related to mental health, public health, and medical services for the fiscal year ending September 30, 2010; to provide for the expenditure of those appropriations; to create funds; to require and provide for reports; to prescribe the powers and duties of certain local and state agencies and departments; and to provide for disposition of fees and other income received by the various state agencies.

Substitute (S-1).

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

1. Amend page 2, line 10, by striking out “12,859,420,400” and inserting “12,859,470,400”.
  2. Amend page 2, line 14, by striking out “12,812,243,400” and inserting “12,812,293,400”.
  3. Amend page 2, line 22, by striking out “2,267,938,400” and inserting “2,267,988,400”.
  4. Amend page 3, line 7, by striking out “22,470,400” and inserting “22,520,400”.
  5. Amend page 3, line 12, by striking out “45,787,700” and inserting “45,837,700”.
  6. Amend page 3, line 19, by striking out “29,781,100” and inserting “29,831,100”.
  7. Amend page 7, line 10, by striking out “121,683,400” and inserting “120,833,400”.
  8. Amend page 7, line 11, by striking out “16,078,200” and inserting “16,928,200” and adjusting the subtotals, totals, and section 201 accordingly.
  9. Amend page 18, line 18, after “is” by striking out “\$3,819,401,700.00” and inserting “\$3,819,451,700.00”.
  10. Amend page 42, following line 3, by inserting:  
“Sec. 289. The department shall work with the department of human services to help provide nutrition education to individuals participating in the food assistance program.
  11. Amend page 48, line 20, by striking out all of subsection (2) and renumbering the remaining subsection.
  12. Amend page 48, line 27, after “under” by striking out “subsections (1) and (2)” and inserting “subsection (1)”.
  13. Amend page 54, line 5, by striking out all of section 428 and inserting:  
“Sec. 428. Each PIHP shall provide, from internal resources, local funds to be used as a bona fide part of the state match required under the Medicaid program in order to increase capitation rates for PIHPs. These funds shall not include either state funds received by a CMHSP for services provided to non-Medicaid recipients or the state matching portion of the Medicaid capitation payments made to a PIHP.”.
  14. Amend page 65, line 19, after “children.” by inserting “In particular, the department shall continue funding for poison control at not less than the level in effect in fiscal year 2007-2008. In particular, the department shall continue funding for the Michigan care improvement registry at not less than the levels in effect in fiscal year 2007-2008.”.
  15. Amend page 80, line 16, after “for” by striking out the balance of the line through “projects,” on line 17 and inserting “prenatal care outreach and service delivery support”.
  16. Amend page 85, following line 14, by inserting:  
“Sec. 1419. From the funds appropriated in part 1 for nutrition services, \$480,500.00 shall be allocated to provide an interdepartmental grant to the department of agriculture to support the Michigan agricultural surplus system.”.
- The Senate agreed to the substitute, as amended, recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:  
**House Bill No. 4447, entitled**

A bill to amend 1979 PA 94, entitled “The state school aid act of 1979,” by amending sections 3, 6, 8b, 11, 11a, 11g, 11j, 11k, 11m, 11n, 15, 18, 20, 20d, 20j, 22a, 22b, 22d, 22e, 24, 24a, 24c, 26a, 26b, 29, 31a, 31d, 31f, 32b, 32c, 32d, 32j, 32l, 32n, 39, 39a, 41, 51a, 51c, 51d, 53a, 54, 54a, 54c, 56, 57, 61a, 62, 64, 65, 74, 81, 94a, 98, 99, 99a, 99n, 99p, 101, 104, 107, 147, and 164c (MCL 388.1603, 388.1606, 388.1608b, 388.1611, 388.1611a, 388.1611g, 388.1611j, 388.1611k, 388.1611m, 388.1611n, 388.1615, 388.1618, 388.1620, 388.1620d, 388.1620j, 388.1622a, 388.1622b, 388.1622d, 388.1622e, 388.1624, 388.1624a, 388.1624c, 388.1626a, 388.1626b, 388.1629, 388.1631a, 388.1631d, 388.1631f, 388.1632b, 388.1632c, 388.1632d, 388.1632j, 388.1632l, 388.1632n, 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1653a, 388.1654, 388.1654a, 388.1654c, 388.1656, 388.1657, 388.1661a, 388.1662, 388.1664, 388.1665, 388.1674, 388.1681, 388.1694a, 388.1698, 388.1699, 388.1699a, 388.1699n, 388.1699p, 388.1701, 388.1704, 388.1707, 388.1747, and 388.1764c), sections 3, 6, 11, 11a, 11g, 11j, 11k, 11m, 15, 18, 20d, 22a, 22b, 22d, 24, 24a, 24c, 26a, 26b, 29, 31a, 31d, 31f, 32c, 32d, 32j, 32l, 39, 39a, 41, 51a, 51c, 51d, 53a, 54, 54a, 54c, 56, 57, 61a, 62, 64, 65, 74, 81, 94a, 98, 99, 99p, 104, 107, 147, and 164c as amended and sections 11n, 22e, and 99a as added by 2008 PA 268, section 8b as amended by 2007 PA 92, sections 20, 20j, and 32b as amended by 2008 PA 561, section 32n as added by 2007 PA 137, section 99n as added by 2008 PA 112, and section 101 as amended by 2006 PA 342, and by adding sections 22f, 32a, and 98a; and to repeal acts and parts of acts.

Substitute (S-1).

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

1. Amend page 59, line 5, after “allowance” by inserting a comma and “**AND, FOR 2009-2010, PLUS \$0.01**”.
2. Amend page 70, following line 5, by inserting:  
“Sec. 22d. (1) From the appropriation in section 11, an amount not to exceed ~~\$2,025,000.00~~ **\$100.00** is allocated for ~~2008-2009-2009-2010~~ for additional payments to small, geographically isolated districts under this section.

(2) From the allocation under subsection (1), there is allocated for ~~2008-2009~~ **2009-2010** an amount not to exceed ~~\$750,000.00~~ **\$100.00** for payments under this subsection to districts that meet all of the following:

- (a) Operates grades K to 12.
- (b) Has fewer than 250 pupils in membership.
- (c) Each school building operated by the district meets at least 1 of the following:
  - (i) Is located in the Upper Peninsula at least 30 miles from any other public school building.
  - (ii) Is located on an island that is not accessible by bridge.

(3) The amount of the additional funding to each eligible district under subsection (2) shall be determined under a spending plan developed as provided in this subsection and approved by the superintendent of public instruction. The spending plan shall be developed cooperatively by the intermediate superintendents of each intermediate district in which an eligible district is located. The intermediate superintendents shall review the financial situation of each eligible district, determine the minimum essential financial needs of each eligible district, and develop and agree on a spending plan that distributes the available funding under subsection (2) to the eligible districts based on those financial needs. The intermediate superintendents shall submit the spending plan to the superintendent of public instruction for approval. Upon approval by the superintendent of public instruction, the amounts specified for each eligible district under the spending plan are allocated under subsection (2) and shall be paid to the eligible districts in the same manner as payments under section 22b.

~~(4) Subject to subsection (6), from the allocation in subsection (1), there is allocated for 2008-2009 an amount not to exceed \$1,275,000.00 for payments under this subsection to districts that meet all of the following:~~

- ~~(a) The district has 5.0 or fewer pupils per square mile as determined by the department.~~
- ~~(b) The district has a total square mileage greater than 200.0 or is 1 of 2 districts that have consolidated transportation services and have a combined total square mileage greater than 200.0.~~

~~(5) The funds allocated under subsection (4) shall be allocated on an equal per pupil basis.~~

~~(6) A district receiving funds allocated under subsection (2) is not eligible for funding allocated under subsection (4)."~~ and adjusting the totals in section 11 and enacting section 1 accordingly.

3. Amend page 73, following line 14, by inserting:

**"(5) IT IS THE INTENT OF THE LEGISLATURE THAT THE DISTRICT OR INTERMEDIATE DISTRICT COUNTING A COURT-ASSIGNED PUPIL IN MEMBERSHIP AND RECEIVING FUNDING FOR THAT PUPIL SHALL EDUCATE THE PUPIL, OR IF THE PUPIL IS REASSIGNED BY THE COURT OR IS EDUCATED AFTER THE PUPIL MEMBERSHIP COUNT DAY BY AN ENTITY OTHER THAN THE DISTRICT OR INTERMEDIATE DISTRICT THAT COUNTED THE PUPIL IN MEMBERSHIP, THAT THE FUNDING FOLLOW THE PUPIL TO THE NEW EDUCATING ENTITY PROPORTIONATE TO THE DAYS OF INSTRUCTION PROVIDED BY THE NEW ENTITY."**

4. Amend page 76, line 1, after "subsection" by striking out "(13)" and inserting "(14)".

5. Amend page 76, line 3, after "(6)" by striking out the comma and inserting "or (7)".

6. Amend page 76, line 20, after "(6)" by striking out the comma and inserting "or (7)".

7. Amend page 78, line 12, after "(5)" by striking out "OR" and inserting a comma.

8. Amend page 78, line 12, after "(6)" by striking out the period and inserting a comma and "or (7)".

9. Amend page 79, line 12, after "subsection" by striking out "(11)" and inserting "(12)".

10. Amend page 79, following line 19, by inserting:

~~"(6) From the funds allocated under subsection (1), there is allocated for 2008-2009~~ **2009-2010** an amount not to exceed ~~\$4,743,000.00~~ **\$100.00** to support child and adolescent health centers. These grants shall be awarded for 5 consecutive years beginning with 2003-2004 in a form and manner approved jointly by the department and the department of community health. Each grant recipient shall remain in compliance with the terms of the grant award or shall forfeit the grant award for the duration of the 5-year period after the noncompliance. Beginning in 2004-2005, to continue to receive funding for a child and adolescent health center under this section a grant recipient shall ensure that the child and adolescent health center has an advisory committee and that at least one-third of the members of the advisory committee are parents or legal guardians of school-aged children. A child and adolescent health center program shall recognize the role of a child's parents or legal guardian in the physical and emotional well-being of the child. Funding under this subsection shall be used to support child and adolescent health center services provided to children up to age 21. If any funds allocated under this subsection are not used for the purposes of this subsection for the fiscal year in which they are allocated, those unused funds shall be used that fiscal year to avoid or minimize any proration that would otherwise be required under subsection (14) for that fiscal year." and renumbering the remaining subsections.

11. Amend page 81, line 25, after "(6)," by striking out "(11)" and inserting "(7), (12)".

12. Amend page 81, line 26, by striking out "(12)" and inserting "(13)".

13. Amend page 82, line 4, after "(6)," by striking out "(11)" and inserting "(7), (12)".

14. Amend page 82, line 4, after "and" by striking out "(12)" and inserting "(13)".

15. Amend page 92, following line 19, by inserting:

~~"Sec. 32d. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed \$88,100,000.00 for 2008-2009~~ **\$100.00 FOR 2009-2010** for great start readiness or preschool and parenting



program grants to enable eligible districts, as determined under section 37, to develop or expand, in conjunction with whatever federal funds may be available to the district and its community, including, but not limited to, federal funds under title I of the elementary and secondary education act of 1965, 20 USC 6301 to 6578, chapter 1 of title I of the Hawkins-Stafford elementary and secondary school improvement amendments of 1988, Public Law 100-297, and the head start act, 42 USC 9831 to 9852, part-day or full-day comprehensive compensatory programs designed to do 1 or both of the following:

(a) Improve the readiness and subsequent achievement of educationally disadvantaged children as defined by the department who will be at least 4, but less than 5 years of age, as of December 1 of the school year in which the programs are offered, and who show evidence of 2 or more risk factors as defined in the state board report entitled "children at risk" that was adopted by the state board on April 5, 1988. To the extent allowable under federal law, a district shall not use funds received under this section to supplant any federal funds received by the district or its community. For the purposes of this section, "supplant" means to serve children eligible for a federally funded existing preschool program that has capacity to serve those children.

(b) Provide preschool and parenting education programs similar to those under former section 32b as in effect for 2001-2002. Beginning in 2007-2008, funds spent by a district for programs described in this subdivision shall not exceed the lesser of the amount spent by the district under this subdivision for 2006-2007 or the amount spent under this subdivision in any subsequent fiscal year.

(2) A comprehensive free compensatory program funded under this section shall include an age-appropriate educational curriculum, as described in the early childhood standards of quality for prekindergarten children adopted by the state board, that prepares children for success in school, including language, early literacy, and early mathematics. In addition, the comprehensive program shall include nutritional services, health and developmental screening as described in the early childhood standards of quality for prekindergarten for participating children, a plan for parent and legal guardian involvement, and provision of referral services for families eligible for community social services.

(3) In addition to the allocation under subsection (1), from the general fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$279,100.00 for 2008-2009~~ **\$100.00 FOR 2009-2010** for a competitive grant to continue a longitudinal evaluation of children who have participated in the great start readiness program.

(4) A district receiving a grant under this section may contract with for-profit or nonprofit preschool center providers that meet all provisions of the early childhood standards of quality for prekindergarten children adopted by the state board for the provision of the comprehensive compensatory program and retain for administrative services an amount equal to not more than 5% of the grant amount. A district may expend not more than 10% of the total grant amount for administration of the program.

(5) A district receiving funds under this section shall report to the department on the midyear report the number of children participating in the program who meet the income or other eligibility criteria specified under section 37(3)(g) and the total number of children participating in the program. For children participating in the program who meet the income or other eligibility criteria specified under section 37(3)(g), districts shall also report whether or not a parent is available to provide care based on employment status. For the purposes of this subsection, "employment status" shall be defined by the department of human services in a manner consistent with maximizing the amount of spending that may be claimed for temporary assistance for needy families maintenance of effort purposes.

Sec. 32j. (1) From the appropriations in section 11, there is allocated an amount not to exceed ~~\$5,000,000.00 for 2008-2009~~ **\$100.00 FOR 2009-2010** for great parents, great start grants to intermediate districts to provide programs for parents with young children. The purpose of these programs is to encourage early mathematics and reading literacy, improve school readiness, reduce the need for special education services, and foster the maintenance of stable families by encouraging positive parenting skills.

(2) To qualify for funding under this section, a program shall provide services to all families with children age 5 or younger residing within the intermediate district who choose to participate, including at least all of the following services:

(a) Providing parents with information on child development from birth to age 5.

(b) Providing parents with methods to enhance parent-child interaction that promote social and emotional development and age-appropriate language, mathematics, and early reading skills for young children; including, but not limited to, encouraging parents to read to their preschool children at least 1/2 hour per day.

(c) Providing parents with examples of learning opportunities to promote intellectual, physical, and social growth of young children, including the acquisition of age-appropriate language, mathematics, and early reading skills.

(d) Promoting access to needed community services through a community-school-home partnership.

(3) To receive a grant under this section, an intermediate district shall submit a plan to the department not later than October 15, ~~2008-2009~~ in the form and manner prescribed by the department. The plan shall do all of the following in a manner prescribed by the department:

(a) Provide a plan for the delivery of the program components described in subsection (2) that targets resources based on family need and provides for educators trained in child development to help parents understand their role in their child's developmental process, thereby promoting school readiness and mitigating the need for special education services.

(b) Demonstrate an adequate collaboration of local entities involved in providing programs and services for preschool children and their parents and, where there is a great start collaborative, demonstrate that the planned services are part of the community's great start strategic plan.

(c) Provide a projected budget for the program to be funded. The intermediate district shall provide at least a 20% local match from local public or private resources for the funds received under this section. Not more than 1/2 of this matching requirement, up to a total of 10% of the total project budget, may be satisfied through in-kind services provided by participating providers of programs or services. In addition, not more than 10% of the grant may be used for program administration.

(4) Each intermediate district receiving a grant under this section shall agree to include a data collection system approved by the department. The data collection system shall provide a report by October 15 of each year on the number of children in families with income below 200% of the federal poverty level that received services under this program and the total number of children who received services under this program.

(5) The department or superintendent, as applicable, shall do all of the following:

(a) The superintendent shall approve or disapprove the plans and notify the intermediate district of that decision not later than November 15, ~~2008-2009~~. The amount allocated to each intermediate district shall be at least an amount equal to ~~100%~~ **90%** of the intermediate district's 2007-2008 payment under this section.

(b) The department shall ensure that all programs funded under this section utilize the most current validated research-based methods and curriculum for providing the program components described in subsection (2).

(c) The department shall submit a report to the state budget director and the senate and house fiscal agencies summarizing the data collection reports described in subsection (4) by December 1 of each year.

(6) An intermediate district receiving funds under this section shall use the funds only for the program funded under this section. An intermediate district receiving funds under this section may carry over any unexpended funds received under this section into the next fiscal year and may expend those unused funds in the next fiscal year. A recipient of a grant shall return any unexpended grant funds to the department in the manner prescribed by the department not later than September 30 of the next fiscal year after the fiscal year in which the funds are received." and adjusting the totals in section 11 and enacting section 1 accordingly.

16. Amend page 113, following line 14, by inserting:

"Sec. 64. (1) From the appropriation in section 11, there is allocated an amount not to exceed ~~\$2,000,000.00 for 2008-2009~~ **\$100.00 FOR 2009-2010** for grants to intermediate districts or a district of the first class that are in consortium with a community college or state public university and a hospital to create and implement a middle college focused on the field of health sciences.

(2) Awards shall be made in a manner and form as determined by the department; however, at a minimum, eligible consortia funded under this section shall ensure the middle college provides all of the following:

(a) Outreach programs to provide information to middle school and high school students about career opportunities in the health sciences field.

(b) An individualized education plan for each pupil enrolled in the program.

(c) Curriculum that includes entry-level college courses.

(d) Clinical rotations that provide opportunities for pupils to observe careers in the health sciences.

(e) Instruction in mathematics, science, and language arts that is integrated, where appropriate, into the health sciences courses.

(3) For the purposes of this section, "middle college" means a series of courses and other requirements and conditions established by the consortium that allow a pupil to graduate with a high school diploma and a certificate or degree from a community college or state public university.

(4) Beginning in 2006-2007, a district or intermediate district may receive a grant under this section for up to 4 consecutive fiscal years. For the first 2 fiscal years of the grant period, the grant amount shall be 100% of the award determined by the department. For each of the remaining 2 fiscal years of the grant period, the grant amount shall be an amount equal to 50% of the recipient's grant amount for the previous fiscal year." and adjusting the totals in section 11 and enacting section 1 accordingly.

17. Amend page 142, line 3, after "subsection (3)." by inserting "**THE DEPARTMENT SHALL APPROVE AS A DEPARTMENT-APPROVED ALTERNATIVE EDUCATION PROGRAM AN ONLINE EDUCATION PROGRAM THAT MEETS THE REQUIREMENTS UNDER SUBSECTION (11), AND SHALL GRANT A WAIVER UNDER THIS SUBSECTION FOR THE PROGRAM NOT LATER THAN 15 DAYS AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SENTENCE OR 15 DAYS AFTER THE WAIVER APPLICATION IS RECEIVED FOR THE PROGRAM, WHICHEVER IS LATER.**".

18. Amend page 143, following line 5, by inserting:

**"(11) FOR THE PURPOSES OF SUBSECTION (9), THE DEPARTMENT SHALL APPROVE AS A DEPARTMENT-APPROVED ALTERNATIVE EDUCATION PROGRAM AN ONLINE EDUCATION PROGRAM THAT MEETS ALL OF THE FOLLOWING REQUIREMENTS:**

**(A) THE PROGRAM IS A FULL-TIME ONLINE LEARNING OPPORTUNITY SPONSORED BY A CONSORTIUM OR PARTNERSHIP THAT IS ESTABLISHED BY AN ORGANIZATION DEDICATED TO**

**ONLINE LEARNING AND AT LEAST 1 INTERMEDIATE DISTRICT, AND USES STRATEGIES THAT USE MULTIPLE EDUCATION DELIVERY SYSTEMS INCLUDING INTERNET-BASED ONLINE APPROACHES.**

**(B) THE PROGRAM'S GOALS INCLUDE INCREASING THE NUMBER OF ONLINE ENROLLMENTS AND COMPLETIONS BY AT-RISK PUPILS.**

**(C) THE PROGRAM ENSURES ALL OF THE FOLLOWING:**

**(i) THAT A TEACHER WHO HOLDS APPROPRIATE CERTIFICATION ACCORDING TO STATE BOARD RULE, WHO IS EMPLOYED BY A DISTRICT PARTICIPATING IN THE CONSORTIUM OR PARTNERSHIP, AND WHO IS A MEMBER OF A COLLECTIVE BARGAINING UNIT OF A DISTRICT PARTICIPATING IN THE CONSORTIUM OR PARTNERSHIP WILL BE RESPONSIBLE FOR IMPROVING LEARNING BY PLANNED INSTRUCTION, DIAGNOSING LEARNING NEEDS, ASSESSING LEARNING, AND REPORTING OUTCOMES TO ADMINISTRATORS AND PARENTS OR LEGAL GUARDIANS FOR EACH COURSE IN WHICH A PUPIL IS ENROLLED. NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT OR ANY RULE TO THE CONTRARY, IF THESE REQUIREMENTS ARE MET, ANY OTHER ADULT ASSISTING WITH THE OVERSIGHT OF A PUPIL DURING THE PUPIL'S PARTICIPATION IN THE ONLINE EDUCATION PROGRAM IS NOT REQUIRED TO BE A CERTIFICATED TEACHER OR AN EMPLOYEE OF A PARTICIPATING DISTRICT.**

**(ii) THAT THE ONLINE EDUCATION PROGRAM WILL MAKE EDUCATIONAL SERVICES AVAILABLE TO PUPILS FOR A MINIMUM OF 1,098 HOURS DURING A SCHOOL YEAR AND WILL ENSURE THAT EACH PUPIL PARTICIPATES IN THE EDUCATIONAL PROGRAM FOR AT LEAST 1,098 HOURS DURING A SCHOOL YEAR."**

19. Amend page 167, line 4, after "11n," by striking out "22d,".

20. Amend page 167, line 4, after "32c," by striking out "32d,".

21. Amend page 167, line 4, after "32d," by striking out "32j,".

22. Amend page 167, line 5, after "62," by striking out "64,".

23. Amend page 167, line 7, after "MCL 388.1611n," by striking out "388.1622d,".

24. Amend page 167, line 7, after "388.1632c," by striking out "388.1632d,".

25. Amend page 167, line 8, by striking out "388.1632j,".

26. Amend page 167, line 10, by striking out "388.1664,".

The Senate agreed to the substitute, as amended, recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:

**House Bill No. 4721, entitled**

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 6, 11, 11j, 11n, 20, 22a, 22b, 26a, 51a, 51c, 53a, and 94a (MCL 388.1606, 388.1611, 388.1611j, 388.1611n, 388.1620, 388.1622a, 388.1622b, 388.1626a, 388.1651a, 388.1651c, 388.1653a, and 388.1694a), sections 6, 11, 11j, 22a, 22b, 26a, 51a, 51c, 53a, and 94a as amended and section 11n as added by 2008 PA 268 and section 20 as amended by 2008 PA 561, and by adding section 98a.

Substitute (S-1).

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

1. Amend page 33, line 26, after "(7)" by striking out "and section 22b(3)".

2. Amend page 87, line 21, after "TITLE" by striking out "II" and inserting "VIII".

The Senate agreed to the substitute, as amended, recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

By unanimous consent the Senate returned to the order of

**Third Reading of Bills**

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

**House Bill No. 4446**

**House Bill No. 4436**

**House Bill No. 4437**

**House Bill No. 4447**

**House Bill No. 4721**

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

Senator Cropsey moved that the following bills be placed at the head of the Third Reading of Bills calendar:

**Senate Bill No. 462**  
**Senate Bill No. 463**  
**Senate Bill No. 464**  
**Senate Bill No. 465**  
**House Bill No. 4743**  
**House Bill No. 4749**  
**House Bill No. 4437**  
**House Bill No. 4446**  
**House Bill No. 4436**  
**House Bill No. 4447**  
**House Bill No. 4721**

The motion prevailed.

Senator Barcia entered the Senate Chamber.

The following bill was read a third time:

**Senate Bill No. 462, entitled**

A bill to provide for the licensing of mortgage loan originators; to regulate the business practices of mortgage loan originators; to establish certain obligations of employees and principals of mortgage loan originators; to prescribe the powers and duties of certain state agencies and officials; and to provide remedies and prescribe penalties.

The question being on the passage of the bill,

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

**Roll Call No. 298**

**Yeas—36**

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

**Nays—0**

**Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

The Senate agreed to the title of the bill.

The following bill was read a third time:

**Senate Bill No. 463, entitled**

A bill to amend 1987 PA 173, entitled "Mortgage brokers, lenders, and servicers licensing act," by amending the title and sections 1a, 2, 8, 10, 11, 12, 14, 29, and 33 (MCL 445.1651a, 445.1652, 445.1658, 445.1660, 445.1661, 445.1662,

445.1664, 445.1679, and 445.1683), the title as amended by 2008 PA 66, section 1a as amended by 2009 PA 13, section 2 as amended by 2008 PA 328, section 8 as amended by 2008 PA 326, section 10 as amended by 2008 PA 69, sections 11 and 12 as amended by 2008 PA 62, section 14 as amended by 2008 PA 63, section 29 as amended by 2008 PA 529, and section 33 as amended by 2008 PA 324; and to repeal acts and parts of acts.

The question being on the passage of the bill,

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

**Roll Call No. 299****Yeas—36**

Allen	Cherry	Jacobs	Prusi
Anderson	Clark-Coleman	Jansen	Richardville
Barcia	Clarke	Jelinek	Sanborn
Basham	Cropsey	Kahn	Scott
Birkholz	George	Kuipers	Stamas
Bishop	Gilbert	McManus	Switalski
Brater	Gleason	Olshove	Thomas
Brown	Hardiman	Pappageorge	Van Woerkom
Cassia	Hunter	Patterson	Whitmer

**Nays—0****Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

The Senate agreed to the title of the bill.

The following bill was read a third time:

**Senate Bill No. 464, entitled**

A bill to amend 1981 PA 125, entitled "The secondary mortgage loan act," by amending the title and sections 1, 2, 6, 6a, 6b, 11, 13, 20, 22, and 27 (MCL 493.51, 493.52, 493.56, 493.56a, 493.56b, 493.61, 493.63, 493.70, 493.72, and 493.77), the title and sections 2, 6, 6a, 6b, 11, 13, 20, and 22 as amended by 2008 PA 325, section 1 as amended by 2009 PA 14, and section 27 as amended by 2008 PA 530; and to repeal acts and parts of acts.

The question being on the passage of the bill,

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

**Roll Call No. 300****Yeas—36**

Allen	Cherry	Jacobs	Prusi
Anderson	Clark-Coleman	Jansen	Richardville
Barcia	Clarke	Jelinek	Sanborn
Basham	Cropsey	Kahn	Scott
Birkholz	George	Kuipers	Stamas
Bishop	Gilbert	McManus	Switalski

Brater  
Brown  
Cassis

Gleason  
Hardiman  
Hunter

Olshove  
Pappageorge  
Patterson

Thomas  
Van Woerkom  
Whitmer

**Nays—0**

**Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

The Senate agreed to the title of the bill.

The following bill was read a third time:

**Senate Bill No. 465, entitled**

A bill to amend 1988 PA 161, entitled “Consumer financial services act,” by amending section 9 (MCL 487.2059), as amended by 2009 PA 12.

The question being on the passage of the bill,

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

**Roll Call No. 301**

**Yeas—36**

Allen  
Anderson  
Barcia  
Basham  
Birkholz  
Bishop  
Brater  
Brown  
Cassis

Cherry  
Clark-Coleman  
Clarke  
Cropsey  
George  
Gilbert  
Gleason  
Hardiman  
Hunter

Jacobs  
Jansen  
Jelinek  
Kahn  
Kuipers  
McManus  
Olshove  
Pappageorge  
Patterson

Prusi  
Richardville  
Sanborn  
Scott  
Stamas  
Switalski  
Thomas  
Van Woerkom  
Whitmer

**Nays—0**

**Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

The Senate agreed to the title of the bill.

The following bill was read a third time:

**House Bill No. 4743, entitled**

A bill to amend 1999 PA 276, entitled "Banking code of 1999," by amending section 4205 (MCL 487.14205).

The question being on the passage of the bill,

The bill was passed, 2/3 of the members serving voting therefor, as follows:

**Roll Call No. 302**

**Yeas—36**

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

**Nays—0**

**Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

The question being on concurring in the committee recommendation to give the bill immediate effect,

The recommendation was concurred in, 2/3 of the members serving voting therefor.

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

"An act to revise and codify the laws relating to banks, out-of-state banks, and foreign banks; to provide for their regulation and supervision; to prescribe the powers and duties of banks; to prescribe the powers and duties of certain state agencies and officials; to prescribe penalties; and to repeal acts and parts of acts,".

The Senate agreed to the full title.

The following bill was read a third time:

**House Bill No. 4749, entitled**

A bill to amend 1996 PA 354, entitled "Savings bank act," by amending section 512 (MCL 487.3512).

The question being on the passage of the bill,

The bill was passed, 2/3 of the members serving voting therefor, as follows:

**Roll Call No. 303**

**Yeas—36**

Allen	Cherry	Jacobs	Prusi
Anderson	Clark-Coleman	Jansen	Richardville
Barcia	Clarke	Jelinek	Sanborn
Basham	Cropsey	Kahn	Scott

Birkholz  
Bishop  
Brater  
Brown  
Cassis

George  
Gilbert  
Gleason  
Hardiman  
Hunter

Kuipers  
McManus  
Olshove  
Pappageorge  
Patterson

Stamas  
Switalski  
Thomas  
Van Woerkom  
Whitmer

**Nays—0**

**Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

The question being on concurring in the committee recommendation to give the bill immediate effect,  
The recommendation was concurred in, 2/3 of the members serving voting therefor.

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

“An act to codify the laws relating to savings banks; to provide for incorporation, regulation, supervision, and internal administration of savings banks; to prescribe the rights, powers, and immunities of savings banks; to prescribe the powers and duties of certain state agencies and officials; to provide for remedies; and to prescribe penalties.”.

The Senate agreed to the full title.

The following bill was read a third time:

**House Bill No. 4437, entitled**

A bill to make appropriations for the department of corrections and certain state purposes related to corrections for the fiscal year ending September 30, 2010; to provide for the expenditure of the appropriations; to provide for reports; to provide for the creation of certain advisory committees and boards; to prescribe certain powers and duties of the department of corrections, certain other state officers and agencies, and certain advisory committees and boards; to provide for the collection of certain funds; and to provide for the disposition of fees and other income received by certain state agencies.

The question being on the passage of the bill,

Senator Prusi offered the following amendments:

1. Amend page 4, line 20, by striking out “3,549,600” and inserting “3,627,300”.
2. Amend page 6, line 3, by striking out “423.0” and inserting “438.6”.
3. Amend page 6, line 3, by striking out “72,611,800” and inserting “75,211,800”.
4. Amend page 6, line 4, by striking out “215.6” and inserting “220.8”.
5. Amend page 6, line 4, by striking out “23,351,600” and inserting “23,956,600”.
6. Amend page 6, line 20, by striking out “303.5” and inserting “309.0”.
7. Amend page 6, line 20, by striking out “32,467,400” and inserting “33,050,400”.
8. Amend page 7, line 17, by striking out “95,881,400” and inserting “96,181,400”.
9. Amend page 7, line 19, by striking out “249.8” and inserting “257.8”.
10. Amend page 7, line 20, by striking out “29,481,200” and inserting “30,296,200”.
11. Amend page 8, line 7, by striking out “263.0” and inserting “311.0”.
12. Amend page 8, line 7, by striking out “26,467,900” and inserting “30,774,700”.
13. Amend page 8, line 8, by striking out “889” and inserting “1,209”.
14. Amend page 8, line 9, by striking out “327.1” and inserting “375.1”.
15. Amend page 8, line 10, by striking out “30,638,000” and inserting “35,887,300”.
16. Amend page 8, line 11, by striking out “884” and inserting “1,172”.
17. Amend page 8, line 21, by striking out “271.9” and inserting “269.9”.
18. Amend page 8, line 22, by striking out “25,682,000” and inserting “25,522,000”.



- 19. Amend page 8, line 27, by striking out “205.9” and inserting “248.9”.
- 20. Amend page 9, line 1, by striking out “18,592,300” and inserting “22,981,400”.
- 21. Amend page 9, line 2, by striking out “1,090” and inserting “1,378”.
- 22. Amend page 9, line 3, by striking out “213.0” and inserting “301.0”.
- 23. Amend page 9, line 4, by striking out “19,338,900” and inserting “28,451,900”.
- 24. Amend page 9, line 5, by striking out “1,158” and inserting “1,740”.
- 25. Amend page 9, line 9, by striking out “48.0” and inserting “51.0”.
- 26. Amend page 9, line 10, by striking out “2,835,400” and inserting “3,198,100”.
- 27. Amend page 9, line 14, by striking out “512,900” and inserting “1,266,700”.
- 28. Amend page 10, line 4, by striking out “644.6” and inserting “681.6”.
- 29. Amend page 10, line 5, by striking out “65,760,500” and inserting “69,336,200”.
- 30. Amend page 10, line 6, by striking out “1,872” and inserting “2,032”.
- 31. Amend page 12, line 20, by striking out “22,582,000” and inserting “22,797,400” and adjusting the subtotals, totals, and section 201 accordingly.

32. Amend page 68, following line 20, by inserting:

“Sec. 914. (1) The department shall utilize beds located at the facilities currently known as:

- (a) Camp Cusino in Shingleton, Alger County.
- (b) Camp Kitwen in Painsedale, Houghton County.
- (c) Camp Lehman in Grayling, Crawford County.
- (d) Camp Ottawa in Iron River, Iron County.
- (e) Camp White Lake in White Lake, Oakland County.
- (2) The facilities named in subsection (1) may serve as any of the following:
  - (a) A camp program facility.
  - (b) A correctional facility.
  - (c) An annex of an existing correctional facility.”.

The question being on the adoption of the amendments,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 304**

**Yeas—12**

Anderson	Clark-Coleman	Hunter	Prusi
Barcia	Clarke	Jacobs	Switalski
Basham	Gleason	Olshove	Thomas

**Nays—24**

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

**Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

**Protest**

Senator Cropsey, under his constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the amendments offered by Senator Prusi to House Bill No. 4437 and moved that the statements he made during the discussion of the amendments be printed as his reasons for voting “no.”

The motion prevailed.

Senator Cropsey’s first statement is as follows:

I do have a question for the maker of the amendment. My first question is how much is this going to increase this budget by? I want to know how much this budget is going to increase by this amendment.

Secondly, I think it is important to note that we are not the body that sets the parole. We have a state law that had a parole board set up, and the Governor by executive order did away with the parole board and then established a new parole board and increased it from 10 to 15.

The new parole board answers directly to the Governor. I haven’t heard anybody say yet that the Governor’s action is unconstitutional. I think it is wrong, but it is not unconstitutional. She has the power to do so. She is taking direct responsibility for releasing thousands of prisoners out into our communities. That is the Governor totally and not the Legislature. She has grabbed that; she is doing that.

The question becomes, with this Governor putting approximately 4,000 felons back into our communities and likely another 3,000 before October 1, what are we going to do about it? We cannot go back and undo the parole issue because that is the Governor’s prerogative. If she is paroling the people in the camps, then there is no more need for the camps. I understand where the Minority Leader is coming from, but if there are no people to put in the camps because the Governor has put them out into the community, why would we try to keep the camps open?

I would hope that I would find out how much this amendment is going to cost. If there is nobody going into the camps because the Governor is putting them into the community, then how on earth can we keep those camps open? I would suggest that we turn down this amendment.

Senator Cropsey’s second statement is as follows:

Even if we appropriate money as we did for this current year, the Governor does not have to keep the camps open. That is part of the executive branch function. Even if the previous amendment had been adopted, the Governor can still close those camps as she has done. This is the Governor’s doing; this is not the Legislature’s doing. It is the Governor, and she takes full, complete, and total responsibility for doing so. It is not the Legislature.

Senator Prusi offered the following amendment:

1. Amend page 68, following line 20, by inserting:

“Sec. 915. The department shall ensure that correctional facility and correctional camp closures do not have a disproportionate economic impact on any region of the state.”.

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

The question being on the passage of the bill,

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

**Roll Call No. 305**

**Yeas—20**

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

**Nays—16**

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

**Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

The question being on concurring in the committee recommendation to give the bill immediate effect,  
The recommendation was not concurred in, 2/3 of the members serving not voting therefor.  
The Senate agreed to the title of the bill.

**Protests**

Senators Brater and Cassis, under their constitutional right of protest (Art. 4, Sec. 18), protested against the passage of Senate Bill No. 4437.

Senator Brater moved that the statement she made during the discussion of the bill be printed as her reasons for voting “no.”

The motion prevailed.

Senator Brater’s statement is as follows:

First of all, I would like to acknowledge the work of the Senator from the 33rd District, the Majority Floor Leader, and the way he conducts the Corrections Subcommittee meetings and process. It has been a very positive experience working with him. I appreciate all the hard work that he puts into this budget.

I do want to take issue, however, with the final product that we have out of our subcommittee. I am not able to support it today. I think that Governor Granholm is embarking on a very important initiative to try to reduce our prison populations. I do not think it serves us well to engage in fear mongering about releasing prisoners because the majority of the prisoners in our prison system—almost 50,000 prisoners in our prison system, and that number is going down, but it is still in the high 40,000—are not there for life. They are coming back to our communities, so it is very important that we implement programs that are going to make re-entry successful. The Governor’s program calls for reinvesting the money that we were spending in locking people up and spending it instead on the re-entry program—the Michigan Prisoner Reentry Initiative. That is a new program, and it is having some success. It will take some time before we can measure the outcomes, but it seems to have a lot of important programs in place.

The idea of taking another 10 percent out of the administration of this department, however, is not going to be productive. Just because the population is going down does not mean the responsibilities of this department are less. I am one who has for many years argued that we need to reduce our spending in Corrections, but I think that the direction the Governor is heading will result in great savings as the years go on.

What we need to do as a Legislature to really help these numbers go down is look at some of the policies that are keeping this prison population up, regardless of what the Governor does in terms of parole. That would be looking at our sentencing guidelines and the fact that we have longer sentences in this state compared to neighboring states without a commensurately lower crime rate. We tend to keep people longer in our prisons past their earliest release date compared to other states. We have programs such as the juvenile serving life without parole, which is not legal in many other states to send people before they are age 18 to prison for the rest of their lives with no possibility of parole, when often they committed a crime with an older co-defendant who got a lesser sentence.

So there is legislation that I have proposed that we could enact that would help reduce the prison population and save money, but we have not taken up that legislation. There are a number of things that we need to continue to do to get these numbers down. I am also concerned about the lack of funding for the additional parole board members that the Governor has asked for. I think we should have done that in this budget, but I do appreciate the work of the subcommittee chair.

Senator Cassis’ statement is as follows:

I rise to explain my “no” vote on the Department of Corrections budget. Of course, our first concern, our highest priority, is the safety of our citizens, and this year, in addition to the 12,000 inmates who are being returned to society—that is customary—another additional 6,000 are being returned. That may be a problem. Hopefully, it won’t. Interestingly enough, the top two highest budgets in terms of the General Fund are, first and foremost, the Department of Community Health, and secondly, the Department of Corrections. I point this out with good reason.

As difficult as these cuts have been, the Department of Community Health managed to reduce spending overall by 24 percent, while Corrections managed only to limp in with a total cut over last year's spending of 3 percent. That is why I voted "no." I respect fully the work of the chair of this committee as well as the committee that drafted House Bill No. 4437. However, in my humble opinion, I think we need to go further, and the time is now, especially in terms of reforms and restructuring in order to get more in line with other states that have lower expenditures than Michigan.

I have a number of concerns and I'd like to mention them, especially about the credibility of this department and the information they provide. I have concern about the fact that this department overspent \$19 million without repercussion or reprisal. I have concern about how well the Department of Corrections will be implementing consultant recommendations to reduce costs. I have concern about prisoners and their amenities, including cable TV. Yes, some may say that's a minor thing, but, by gosh, it's prison after all. I have concern about approval of greater recovery of costs through privatization.

While I know some of my colleagues will disagree, my only recourse was to vote "no" and make suggestions to the chair of the committee, as well as to continue to press for more reforms and more restructuring as we go forward in this state in which there is such a looming, continuing revenue demise.

Senator Cropsey asked and was granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Cropsey's third statement is as follows:

I will support this amendment. I wish the Governor would have taken into account this issue when she closed the Baldwin facility in one of the poorest counties in the state. The Governor closed that facility despite the fact that the owner of that facility was able to finally get federal prisoners there. It was due to their own initiative and not anything on the part of the state. Really, the Governor put that community into a tailspin at that time.

I'm just kind of curious to know when you talk about different regions in the state, are we talking about Democrat regions or Republican regions? At this point, most of the prison closures, about 80 percent of the jobs, as best as we can figure, have come out of Republican districts. I think perhaps this is long overdue for the Governor to explain why so many of the job losses in the Department of Corrections have come out of this area. What is she doing to make sure she is not politicizing this? When we take a look at it, it certainly looks like that's what the Governor has done.

Senator Cropsey's fourth statement is as follows:

The Governor eliminated the parole board and established a new, larger parole board that answers directly to her. When she did that, she took total and complete responsibility for the activity of her parole board and the release of thousands of convicted felons into our communities. That is a decision of the Governor and solely her decision. This budget is in response to her action for us to create some type of safety apparatus in our local communities in light of the Governor's actions.

Two weeks ago, two disturbing revelations about the Michigan Department of Corrections spending caught my attention. First, while I know the executive orders reduced the department's spending, the Michigan Department of Corrections has almost 6,000 fewer prisoners than budgeted for last October 1. And, yet, the State Budget Office informed the Legislature that the department is likely to overspend its budget this year. That is unconscionable.

Secondly, the recent budget transfer requests for the Department that I asked the Senate to hold up were eye-popping. Despite \$19 million in unanticipated charges from the former health care provider, the Michigan Department of Corrections had the funds to cover the shortfall. It tells me that the department is squirreling away pots of money that it then uses to give up in the next budget cycle. I think that ought to stop.

The Senate Fiscal Agency and the Council of State Governments found that the Michigan Department of Corrections per prisoner cost is one of the highest in the country. No more nonsense about net savings of \$120 million when no such savings are actually occurring. No more decisions by this administration to close eight facilities with not one single penny in savings in the bottom line. The Governor and the department disrupt entire communities and families without event on the bad excuse of saving money.

What this budget does is give the Department 97 cents instead of \$1 to spend on incarceration operations. The budget clearly identifies Lansing central office costs and submits those costs to the same average 10 percent cut that every other department, including the Legislature, is taking.

The department complains the about Secretary of State not giving ID cards to parolees but then does not work with prisoners to get the needed documents while they have the time in prison to do so. Worse, in at least 18 facilities, the department is using MPRI funding to pay vendors to get the documents for prisoners. So the taxpayers end up paying for prisoners who fail to follow one of the most basic evidence-based practices, which is to be identifiable for a job interview. The department then actually had the gall to include in the budget a provision exempting them from the out-of-state travel prohibition so that they could assist other states in implementing the Michigan Prisoner Reentry Program.

Relative to the Michigan corrections officers and the UAW members who work for the department, they have some of the most dangerous and thankless jobs in this state. In this budget, I am trying to protect the custody staff and the field agents because of the important work that they do in ensuring public safety.

The budget in front of us attempts to implement the Council of State Governments' recommendations by fully funding the County Jail Reimbursement Program, increased funding for the crime labs that are under enormous stress, fully funding the community corrections act, funding high-risk probation pilot projects, and funding the swift and sure violator sanctions that have proven to be successful in other states. I urge your adoption of this budget.

Senator Cropsey's fifth statement is as follows:

Just briefly, in response to a couple of items of the previous speaker. First, I would like to say thank you to her for the work she has done in so many areas, especially the area of mental health issues with prisoners. She brought that to our attention several years ago. It has taken a while, but a lot of the work that she has done on that has been outstanding. We have attempted to deal with that type of thing in legislation in the past and in the budget. I just wanted to say thank you to her for that.

A couple of items that I would disagree with her on, No. 1, the Council of State Governments, when they did their analysis of our guidelines versus other states on judges' sentencing, our sentencing was not out of line at all with other states. Another issue that she had brought up was the juveniles who are in prison of life without parole. There are relatively few of these who are there, but that does not mean that the Governor cannot take a look at those on a case-by-case basis and issue a pardon or commutation in any of those cases. That is a constitutional function that the Governor has that she can exercise at any time.

The following bill was read a third time:

**House Bill No. 4446, entitled**

A bill to make appropriations for the department of conservation for the fiscal year ending September 30, 2010; to provide for the expenditure of those appropriations; to create funds and accounts; to require reports; to prescribe certain powers and duties of certain state agencies and officials; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by the various state agencies.

The question being on the passage of the bill,

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

**Roll Call No. 306**

**Yeas—20**

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

**Nays—16**

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

**Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

The question being on concurring in the committee recommendation to give the bill immediate effect, The recommendation was not concurred in, 2/3 of the members serving not voting therefor. The Senate agreed to the title of the bill.

**Protest**

Senator Brater, under her constitutional right of protest (Art. 4, Sec. 18), protested against the passage of House Bill No. 4446 and moved that the statement she made during the discussion of the bill be printed as her reasons for voting “no.”

The motion prevailed.

Senator Brater’s statement is as follows:

I rise again, regretfully, to oppose this budget. First of all, it is vastly underfunded. This budget, just to remind the members, puts together the Department of Environmental Quality and the Department of Natural Resources in one department. I don’t oppose that idea of putting the two departments together. I don’t think it should be done in a budget bill because in order to really save money by blending these two departments, we really have to spend some time looking at merging programs.

For example, fisheries in DNR and water quality in DEQ could be put together for some real savings and for some good public policy outcomes. If you just blend these two departments without doing any of that analysis of what programs to put together, you will come up with about \$2 million in administrative costs. There are a lot more savings that could potentially be realized if we just took some time to do this correctly.

In addition, I have a strong concern about the underfunding of both of these departments. We are constitutionally mandated to have programs in place that protect the natural resources of this state. We are the only state in the United States that is completely surrounded by the Great Lakes. We have four of the Great Lakes surrounding our state. We have one of the most sensitive ecosystems in the nation, and yet, we are slashing the meager General Fund funding that these departments have.

I am told by the Department of Natural Resources, for example, that the next emerald ash borer is already here, but they just don’t have the personnel to go and identify it. We have unfunded remediation programs going on. We are issuing permits without having money to fund monitoring and compliance. There are many, many deficiencies in this budget that we are adopting today. I think it is incumbent upon this Legislature to identify the means to fund these operations properly.

The following bill was read a third time:

**House Bill No. 4436, entitled**

A bill to make appropriations for the department of community health and certain state purposes related to mental health, public health, and medical services for the fiscal year ending September 30, 2010; to provide for the expenditure of those appropriations; to create funds; to require and provide for reports; to prescribe the powers and duties of certain local and state agencies and departments; and to provide for disposition of fees and other income received by the various state agencies.

The question being on the passage of the bill,

Senator Brater offered the following amendment:

1. Amend page 90, following line 15, by inserting:

“Sec. 1625. (1) The department shall continue its practice of placing all mental health medications on the Medicaid preferred drug list.

(2) The department shall continue to follow the requirements of section 109h of the social welfare act, 1939 PA 280, MCL 400.109h.”.

The amendment was not adopted, a majority of members serving not voting therefor,

Senator Thomas requested the yeas and nays.

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

The amendment was adopted, a majority of the members serving voting therefor, as follows:

**Roll Call No. 307**

**Yeas—19**

Anderson  
Barcia  
Basham

Clark-Coleman  
Clarke  
Gleason

Kuipers  
Olshove  
Patterson

Scott  
Switalski  
Thomas

Brater  
Cherry

Hunter  
Jacobs

Prusi  
Sanborn

Whitmer

**Nays—17**

Allen  
Birkholz  
Bishop  
Brown  
Cassis

Cropsey  
George  
Gilbert  
Hardiman

Jansen  
Jelinek  
Kahn  
McManus

Pappageorge  
Richardville  
Stamas  
Van Woerkom

**Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

Senator Cropsey moved to reconsider the vote by which the amendment was adopted.  
The question being on the motion to reconsider,  
Senator Cropsey moved that further consideration of the amendment be postponed temporarily.  
The motion prevailed.  
Senator Anderson requested the yeas and nays.  
The yeas and nays were ordered, 1/5 of the members present voting therefor.  
The motion prevailed, a majority of the members voting therefor, as follows:

**Roll Call No. 308**

**Yeas—18**

Allen  
Birkholz  
Bishop  
Brown  
Cassis

Cropsey  
George  
Gilbert  
Hardiman  
Jansen

Jelinek  
Kahn  
McManus  
Pappageorge

Patterson  
Richardville  
Stamas  
Van Woerkom

**Nays—17**

Anderson  
Barcia  
Basham  
Brater  
Cherry

Clark-Coleman  
Clarke  
Gleason  
Hunter

Jacobs  
Olshove  
Prusi  
Sanborn

Scott  
Switalski  
Thomas  
Whitmer

**Excused—1**

Garcia

**Not Voting—1**

Kuipers

In The Chair: Richardville

Senator Cherry offered the following amendments:

1. Amend page 7, line 18, by striking out all of line 18.
2. Amend page 7, line 20, by striking out “600,400” and inserting “1,500,400”.
3. Amend page 8, line 6, by striking out “10,616,000” and inserting “6,516,000”.
4. Amend page 9, line 16, by striking out “12,240,300” and inserting “13,990,300”.
5. Amend page 9, line 18, by striking out “1,683,900” and inserting “2,038,800”.
6. Amend page 10, line 3, by striking out “7,080,300” and inserting “9,185,200”.
7. Amend page 11, following line 11, by inserting:  
“Local health services..... 220,000”.
8. Amend page 11, following line 20, by inserting:  
“Total state restricted revenues ..... 220,000”.
9. Amend page 11, line 25, by striking out “99,500” and inserting “389,500”.
10. Amend page 11, line 27, by striking out “13,491,000” and inserting “15,219,900”.
11. Amend page 12, line 1, by striking out “4,492,500” and inserting “6,490,700”.
12. Amend page 12, line 2, by striking out “1,707,500” and inserting “4,022,700”.
13. Amend page 12, following line 5, by inserting:  
“Michigan Parkinson’s foundation ..... 50,000  
Morris Hood Wayne State University diabetes outreach..... 400,000  
Physical fitness, nutrition, and health..... 700,000”.
14. Amend page 12, line 8, by striking out “2,064,000” and inserting “5,752,400”.
15. Amend page 12, following line 8, by inserting:  
“Tobacco tax collection and enforcement..... 610,000”.
16. Amend page 12, line 16, by striking out “768,800” and inserting “12,549,500”.
17. Amend page 12, line 21, by striking out “1,766,600” and inserting “2,766,600”.
18. Amend page 12, line 22, by striking out “1,094,400” and inserting “1,244,400”.
19. Amend page 13, line 1, by striking out “9,085,700” and inserting “9,493,800”.
20. Amend page 13, line 2, by striking out “7,018,100” and inserting “7,264,200”.
21. Amend page 13, line 4, by striking out “602,100” and inserting “5,235,400”.
22. Amend page 13, following line 5, by inserting:  
“School health and education programs ..... 1,500”.
23. Amend page 13, line 6, by striking out “3,157,500” and inserting “4,457,500”.
24. Amend page 13, line 11, by striking out “27,071,800” and inserting “27,273,300”.
25. Amend page 13, following line 13, by inserting:  
“Total state restricted revenues ..... 8,037,500”.
26. Amend page 15, line 16, by striking out “37,083,300” and inserting “37,250,300”.
27. Amend page 16, line 17, by striking out “1,304,102,200” and inserting “1,305,677,700”.
28. Amend page 17, line 17, by striking out “238,574,100” and inserting “239,269,100”.
29. Amend page 17, line 22, by striking out “5,420,157,400” and inserting “5,420,596,600”.
30. Amend page 18, line 1, by striking out “1,400,227,600” and inserting “1,382,177,600” and adjusting the subtotals, totals, and section 201 accordingly.

The question being on the adoption of the amendments,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 309**

**Yeas—16**

Anderson  
Barcia

Cherry  
Clark-Coleman

Hunter  
Jacobs

Scott  
Switalski



Basham  
Brater

Clarke  
Gleason

Olshove  
Prusi

Thomas  
Whitmer

**Nays—20**

Allen  
Birkholz  
Bishop  
Brown  
Cassis

Cropsey  
George  
Gilbert  
Hardiman  
Jansen

Jelinek  
Kahn  
Kuipers  
McManus  
Pappageorge

Patterson  
Richardville  
Sanborn  
Stamas  
Van Woerkom

**Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

Senator Cherry offered the following amendments:

1. Amend page 4, line 20, after “services” by striking out “in counties with population under 1,500,000”.
2. Amend page 4, line 21, by striking out “193,633,400” and inserting “319,908,700”.
3. Amend page 4, line 22, by striking out all of lines 22 through line 1 on page 5.
4. Amend page 5, line 16, by striking out “\$2,759,102,800” and inserting “\$2,813,378,100”.
5. Amend page 5, line 24, by striking out “\$976,056,100” and inserting “\$1,030,331,400”.
6. Amend page 18, line 18, after “is” by striking out “\$3,819,401,700.00” and inserting “\$3,873,677,000.00”.
7. Amend page 18, line 20, after “is” by striking out “\$1,277,167,100.00” and inserting “\$1,331,442,400.00”.
8. Amend page 19, line 9, by striking out all of lines 9 through 17 and inserting:  
“Community mental health non-Medicaid services..... 319,908,700”.
9. Amend page 21, line 25, by striking out “\$1,277,167,100” and inserting “\$1,331,442,400” and adjusting the subtotals, totals, and section 201 accordingly.

The question being on the adoption of the amendments,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 310**

**Yeas—16**

Anderson  
Barcia  
Basham  
Brater

Cherry  
Clark-Coleman  
Clarke  
Gleason

Hunter  
Jacobs  
Olshove  
Prusi

Scott  
Switalski  
Thomas  
Whitmer

**Nays—20**

Allen  
Birkholz

Cropsey  
George

Jelinek  
Kahn

Patterson  
Richardville

Bishop  
Brown  
Cassis

Gilbert  
Hardiman  
Jansen

Kuipers  
McManus  
Pappageorge

Sanborn  
Stamas  
Van Woerkom

**Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

Senator Cherry offered the following amendments:

1. Amend page 17, line 6, by striking out “3,388,124,900” and inserting “3,425,536,000”.
2. Amend page 17, line 15, by striking out “8,331,721,000” and inserting “8,369,132,100”.
3. Amend page 17, line 19, by striking out “\$8,634,925,700” and inserting “\$8,672,336,800”.
4. Amend page 17, line 22, by striking out “5,420,157,400” and inserting “5,447,568,500”.
5. Amend page 18, line 2, by striking out “\$980,751,100” and inserting “\$990,751,100” and adjusting the subtotals, totals, and section 201 accordingly.

The amendments were not adopted, a majority of the members serving not voting therefor.

Senator Clarke offered the following amendments:

1. Amend page 2, line 10, by striking out “\$12,859,420,400” and inserting “\$13,214,398,000”.
2. Amend page 2, line 14, by striking out “\$12,812,243,400” and inserting “\$13,167,221,000”.
3. Amend page 2, line 16, by striking out “8,692,546,500” and inserting “8,952,638,500”.
4. Amend page 2, line 22, by striking out “\$2,267,938,400” and inserting “\$2,357,824,000”.
5. Amend page 16, line 17, by striking out “\$1,304,102,200” and inserting “\$1,337,402,200”.
6. Amend page 16, line 19, by striking out “334,135,500” and inserting “354,653,900”.
7. Amend page 16, line 21, by striking out “138,879,200” and inserting “143,132,800”.
8. Amend page 16, line 25, by striking out “7,467,300” and inserting “8,240,900”.
9. Amend page 16, line 27, by striking out “13,808,100” and inserting “14,803,300”.
10. Amend page 17, line 1, by striking out “1,516,122,500” and inserting “1,602,192,900”.
11. Amend page 17, line 6, by striking out “3,388,124,900” and inserting “3,597,191,300”.
12. Amend page 17, line 15, by striking out “8,331,721,000” and inserting “8,686,698,600”.
13. Amend page 17, line 19, by striking out “\$8,634,925,700” and inserting “\$8,989,903,300”.
14. Amend page 17, line 22, by striking out “5,420,157,400” and inserting “5,680,249,400”.
15. Amend page 18, line 2, by striking out “\$980,751,100” and inserting “\$1,075,636,700”.
16. Amend page 18, line 18, after “is” by striking out “\$3,819,401,700.00” and inserting “\$3,914,287,300.00” and adjusting the subtotals, totals, and section 201 accordingly.

The question being on the adoption of the amendments,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 311**

**Yeas—14**

Anderson  
Barcia  
Basham  
Brater

Cherry  
Clark-Coleman  
Clarke  
Gleason

Hunter  
Olshove  
Prusi

Scott  
Thomas  
Whitmer

**Nays—22**

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

**Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

Senator Cherry offered the following amendments:

1. Amend page 2, line 10, by striking out "\$12,859,420,400" and inserting "\$13,036,909,200".
2. Amend page 2, line 14, by striking out "\$12,812,243,400" and inserting "\$12,989,732,200".
3. Amend page 2, line 16, by striking out "8,692,546,500" and inserting "8,822,592,500".
4. Amend page 2, line 22, by striking out "\$2,267,938,400" and inserting "\$2,315,381,200".
5. Amend page 16, line 17, by striking out "\$1,304,102,200" and inserting "\$1,320,752,200".
6. Amend page 16, line 19, by striking out "334,135,500" and inserting "344,394,700".
7. Amend page 16, line 21, by striking out "138,879,200" and inserting "141,006,000".
8. Amend page 16, line 25, by striking out "7,467,300" and inserting "7,854,100".
9. Amend page 16, line 27, by striking out "13,808,100" and inserting "14,305,700".
10. Amend page 17, line 1, by striking out "1,516,122,500" and inserting "1,559,157,700".
11. Amend page 17, line 6, by striking out "3,388,124,900" and inserting "3,492,658,100".
12. Amend page 17, line 15, by striking out "8,331,721,000" and inserting "8,509,209,800".
13. Amend page 17, line 19, by striking out "\$8,634,925,700" and inserting "\$8,812,414,500".
14. Amend page 17, line 22, by striking out "5,420,157,400" and inserting "5,550,203,400".
15. Amend page 18, line 2, by striking out "\$980,751,100" and inserting "\$1,028,193,900".
16. Amend page 18, line 18, after "is" by striking out "\$3,819,401,700.00" and inserting "\$3,866,844,500.00" and adjusting the subtotals, totals, and section 201 accordingly.

The question being on the adoption of the amendments,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 312****Yeas—16**

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

**Nays—20**

Allen	Cropsey	Jelinek	Patterson
Birkholz	George	Kahn	Richardville

Bishop  
Brown  
Cassis

Gilbert  
Hardiman  
Jansen

Kuipers  
McManus  
Pappageorge

Sanborn  
Stamas  
Van Woerkom

**Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

Senator Cherry offered the following amendments:

1. Amend page 15, line 15, by striking out “35,569,200” and inserting “36,524,300”.
2. Amend page 15, line 22, by striking out “\$93,646,000” and inserting “\$94,601,100”.
3. Amend page 16, line 3, by striking out “\$32,429,400” and inserting “\$33,384,500” and adjusting the subtotals, totals, and section 201 accordingly.

The question being on the adoption of the amendments,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 313**

**Yeas—16**

Anderson  
Barcia  
Basham  
Brater

Cherry  
Clark-Coleman  
Clarke  
Gleason

Hunter  
Jacobs  
Olshove  
Prusi

Scott  
Switalski  
Thomas  
Whitmer

**Nays—20**

Allen  
Birkholz  
Bishop  
Brown  
Cassis

Cropsey  
George  
Gilbert  
Hardiman  
Jansen

Jelinek  
Kahn  
Kuipers  
McManus  
Pappageorge

Patterson  
Richardville  
Sanborn  
Stamas  
Van Woerkom

**Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

Senator Cherry offered the following amendments:

1. Amend page 17, line 7, by striking out “52,304,500” and inserting “49,904,500”.
2. Amend page 17, line 19, by striking out “\$8,634,925,700” and inserting “\$8,632,525,700”.
3. Amend page 17, line 22, by striking out “5,420,157,400” and inserting “5,418,398,900”.
4. Amend page 18, line 1, by striking out “1,400,227,600” and inserting “1,397,827,600”.
5. Amend page 18, line 2, by striking out “980,751,100” and inserting “982,509,600” and adjusting the subtotals, totals, and section 201 accordingly.
6. Amend page 102, line 27, after “provided” by striking out the balance of the line through “HMOs” on line 1 of page 103 and inserting “through a state-based private health care program.”.
7. Amend page 103, line 19, after “HMO” by striking out “or”.
8. Amend page 103, line 19, after “corporation” by inserting a comma and “or any other entity”.
9. Amend page 103, line 24, after “MCL 550.52.” by inserting ““Entity” means a health care corporation or insurer operating in accordance with a prudent purchaser agreement.”.

The question being on the adoption of the amendments,

Senator Thomas requested the yeas and nays.

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

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

#### Roll Call No. 314

#### Yeas—16

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

#### Nays—20

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

#### Excused—1

Garcia

#### Not Voting—0

In The Chair: Richardville

Senator Cherry offered the following amendment:

1. Amend page 127, line 5, by striking out all of section 1823.

The question being on the adoption of the amendment,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 315****Yeas—14**

Anderson  
Barcia  
Basham  
Brater

Cherry  
Clarke  
Gleason  
Hunter

Jacobs  
Olshove  
Prusi

Scott  
Thomas  
Whitmer

**Nays—21**

Allen  
Birkholz  
Bishop  
Brown  
Cassis  
Cropsey

George  
Gilbert  
Hardiman  
Jansen  
Jelinek

Kahn  
Kuipers  
McManus  
Pappageorge  
Patterson

Richardville  
Sanborn  
Stamas  
Switalski  
Van Woerkom

**Excused—1**

Garcia

**Not Voting—1**

Clark-Coleman

In The Chair: Richardville

Senator Cherry offered the following amendments:

1. Amend page 8, line 25, by striking out “861,300” and inserting “1,952,100”.
2. Amend page 8, line 27, by striking out “\$65,957,500” and inserting “\$67,048,300”.
3. Amend page 9, line 6, by striking out “24,170,700” and inserting “24,716,100”.
4. Amend page 9, line 11, by striking out “\$9,381,200” and inserting “\$9,926,600” and adjusting the subtotals, totals, and section 201 accordingly.

The question being on the adoption of the amendments,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 316****Yeas—16**

Anderson  
Barcia  
Basham  
Brater

Cherry  
Clark-Coleman  
Clarke  
Gleason

Hunter  
Jacobs  
Olshove  
Prusi

Scott  
Switalski  
Thomas  
Whitmer

**Nays—19**

Allen  
Birkholz

Cropsey  
George

Kahn  
Kuipers

Richardville  
Sanborn

Bishop  
Brown  
Cassis

Hardiman  
Jansen  
Jelinek

McManus  
Pappageorge  
Patterson

Stamas  
Van Woerkom

**Excused—1**

Garcia

**Not Voting—1**

Gilbert

In The Chair: Richardville

Senator Cherry offered the following amendment:

1. Amend page 50, line 1, by striking out all of subsection (4).

The amendment was not adopted, a majority of the members serving not voting therefor.

Senator Scott offered the following amendments:

1. Amend page 4, line 20, after “services” by striking out the balance of the line through “1,500,000” on line 21.

2. Amend page 4, line 21, by striking out “193,633,400” and inserting “319,908,700”.

3. Amend page 4, by striking out all of lines 22 through 27.

4. Amend page 5, line 1, by striking out all of line 1.

5. Amend page 5, line 16, by striking out “\$2,759,102,800” and inserting “\$2,885,378,100”.

6. Amend page 5, line 24, by striking out “\$976,056,100” and inserting “\$1,102,331,400” and adjusting the subtotals, totals, and section 201 accordingly.

7. Amend page 58, line 4, by striking out all of section 462.

The question being on the adoption of the amendments,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 317**

**Yeas—17**

Anderson  
Barcia  
Basham  
Brater  
Cherry

Clark-Coleman  
Clarke  
Gleason  
Hunter

Jacobs  
Olshove  
Patterson  
Prusi

Scott  
Switalski  
Thomas  
Whitmer

**Nays—19**

Allen  
Birkholz  
Bishop  
Brown  
Cassis

Cropsey  
George  
Gilbert  
Hardiman  
Jansen

Jelinek  
Kahn  
Kuipers  
McManus  
Pappageorge

Richardville  
Sanborn  
Stamas  
Van Woerkom

**Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

Senator Scott offered the following amendment:

1. Amend page 58, line 3, by striking out all of section 462 and inserting:

“Sec. 462. The department shall continue to utilize the funding formula for the distribution of community mental health non-Medicaid funds that was in effect on October 1, 2008.”.

The question being on the adoption of the amendment,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 318**

**Yeas—18**

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

**Nays—17**

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

**Excused—1**

Garcia

**Not Voting—1**

Cropsey

In The Chair: Richardville

Senator Whitmer offered the following amendment:

1. Amend page 130, following line 4, by inserting:

“Sec. 1833. If section 2946 of the revised judicature act of 1961, 1961 PA 236, MCL 600.2946, is amended to allow Michigan citizens to file product liability suits against pharmaceutical manufacturers for damages related to defective



drugs, the department shall make all efforts to recover Medicaid funds that it paid for treatment of injuries resulting from the use of these drugs by Medicaid enrollees. The department shall utilize any Medicaid funds recovered pursuant to this section to restore or increase funding to the following programs:

- (1) Medicaid adult dental services.
- (2) School-based health centers.
- (3) Expansion of the healthy kids dental program statewide.”.

The question being on the adoption of the amendment,

Senator Whitmer requested the yeas and nays.

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

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

**Roll Call No. 319**

**Yeas—16**

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

**Nays—20**

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

**Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

Senator Gleason offered the following amendments:

- 1. Amend page 17, line 10, by striking out “88,518,500” and inserting “93,518,500”.
- 2. Amend page 17, line 15, by striking out “8,331,721,000” and inserting “8,336,721,000”.
- 3. Amend page 17, line 19, by striking out “\$8,634,925,700” and inserting “\$8,639,925,700”.
- 4. Amend page 18, line 2, by striking out “\$980,751,100” and inserting “\$985,751,100” and adjusting the subtotals, totals, and section 201 accordingly.

5. Amend page 130, following line 4, by inserting:

“Sec. 1840. From the funds appropriated in part 1 for county indigent care and third share plans, \$5,000,000.00 is appropriated to subsidize the costs of COBRA continuation coverage for workers who were involuntarily terminated from their employment on or after September 1, 2008 and who are eligible for the 65% subsidy of health coverage authorized by the American recovery and reinvestment act of 2009. The funding shall be allocated to county health plans for payment of 1/2 of the remaining monthly premium cost of those workers who qualify for the 65% subsidy of health coverage authorized by the American recovery and reinvestment act of 2009.”.

The question being on the adoption of the amendments,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 320****Yeas—16**

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

**Nays—20**

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

**Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

Senator Brater offered the following amendment:

1. Amend page 36, following line 1, by inserting:

“(e) The department shall apply all of the following criteria to the dispensing of behavioral health drugs when implementing this section:

(i) The department shall comply with and reimburse a prescription containing a doctor’s dispense as written order for all behavioral health patient prescriptions.

(ii) Any patient who is stable on a current medication used for treatment will not be required to change medications.

(iii) Any patient who has failed on a previous drug will not be asked to go back on that drug.

(iv) Only 1 adverse reaction will be necessary to take a patient off a drug.”.

The question being on the adoption of the amendment,

Senator Brater moved that further consideration of the amendment be postponed temporarily.

The motion prevailed.

Senator Hardiman offered the following amendment:

1. Amend page 42, following line 3, by inserting:

“Sec. 290. From the funds appropriated in part 1, up to \$100.00 shall be allocated for a cooperative effort between the department, the department of human services, and the department of state police to coordinate the functions of the state police LEIN system and the department of human services bridges case management system. The purpose of this effort will be to provide usable data that will allow authorized users of the bridges case management system to identify those persons who may be ineligible to receive certain assistance services due to their law enforcement status. The department shall deliver a report on this effort to the senate and house appropriations subcommittees on community health not later than May 1, 2010.”.

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

By unanimous consent the Senate returned to consideration of the first set of amendments offered by Senator Brater.

The question being on the motion to reconsider the vote by which the amendment was adopted,

Senator Thomas requested the yeas and nays.

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

The motion prevailed, a majority of the members serving voting therefor, as follows:

**Roll Call No. 321****Yeas—21**

Allen  
Birkholz  
Bishop  
Brown  
Cassis  
Cropsey

George  
Gilbert  
Hardiman  
Jansen  
Jelinek

Kahn  
Kuipers  
McManus  
Pappageorge  
Patterson

Richardville  
Sanborn  
Stamas  
Switalski  
Van Woerkom

**Nays—15**

Anderson  
Barcia  
Basham  
Brater

Cherry  
Clark-Coleman  
Clarke  
Gleason

Hunter  
Jacobs  
Olshove  
Prusi

Scott  
Thomas  
Whitmer

**Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

The question being on the adoption of the amendment,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 322****Yeas—18**

Anderson  
Barcia  
Basham  
Brater  
Cherry

Clark-Coleman  
Clarke  
Gleason  
Hunter  
Jacobs

Kuipers  
Olshove  
Patterson  
Prusi

Sanborn  
Scott  
Thomas  
Whitmer

**Nays—17**

Allen  
Birkholz  
Bishop  
Brown  
Cassis

George  
Gilbert  
Hardiman  
Jansen

Jelinek  
Kahn  
McManus  
Pappageorge

Richardville  
Stamas  
Switalski  
Van Woerkom

**Excused—1**

Garcia

**Not Voting—1**

Cropsey

In The Chair: Richardville

**Protest**

Senator George, under his constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the amendment offered by Senator Brater to House Bill No. 4436 and moved that the statement he made during the discussion of the amendment be printed as his reasons for voting “no.”

The motion prevailed.

Senator George’s statement is as follows:

I rise to speak against the amendment. It is with regret that I will be voting against it, and, in fact, it was my legislation which helped to create the pharmaceutical purchasing plan. It is true that we carved out certain categories of medications, including these. It’s just an unfortunate reflection of our times and our overall budget woes that we have to leave no stone unturned in finding a way to balance our budget in light of our declining revenues.

Though we would like to not have any preferred drug list at all, it’s just not in fitting with the times. In fact, in commercial insurance plans which many workers would have been provided by their employers, they would have preferred drug lists which would include drugs used to treat mental illness. So I understand the arguments in favor of the amendment, but they’re just outweighed by the budget reality of the day.

If we had benefited from a better federal Medicaid match rate, then we could afford, perhaps, to do things like this. But, unfortunately, despite our high unemployment in Michigan, our federal Medicaid match rate has not increased proportionately to allow us to afford such things as this.

So, unfortunately, I would like to give that as my “no” vote explanation.

By unanimous consent the Senate returned to consideration of the second set of amendments offered by Senator Brater.

The question being on the adoption of the amendment,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 323**

**Yeas—15**

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

**Nays—21**

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

**Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

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

**Roll Call No. 324****Yeas—20**

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

**Nays—16**

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

**Excused—1**

Garcia

**Not Voting—0**

In The Chair: Richardville

The question being on concurring in the committee recommendation to give the bill immediate effect,  
The recommendation was not concurred in, 2/3 of the members serving not voting therefor.  
The Senate agreed to the title of the bill.

**Protest**

Senator Cherry, under her constitutional right of protest (Art. 4, Sec. 18), protested against the passage of House Bill No. 4436 and moved that the statement she made during the discussion of the bill be printed as her reasons for voting "no."

The motion prevailed.

Senator Cherry's statement is as follows:

I cannot in good conscience support a budget that robs programs aimed at prevention, that robs the protection of the health of our communities in the long term, and that does not assist people who are too poor to afford health care for themselves and their families. Making cuts to the state budget has been a difficult process for all of us; however, most of the cuts made so far, while I have opposed many of them, have not been life and death—drastic cuts to community health very well could be for some of our Michigan residents.

First of all, in prevention, education is a key element of the prevention. In order to stay healthy, we need to understand the measures we can take in our daily lives to prevent illness and injury. Funding prevention programs will significantly reduce health care costs in the long run. The Healthy Michigan Fund which provides such services as cancer screening and smoking cessation is just an example of that. A healthier population is one that relies less on state health care programs. If we can head off health threats in the early stages, we can save lives and cut health care immediately.

The other issue for this budget that I am so concerned about is mental health. Mental health funding is in jeopardy in this budget. Many people feel that mental health is not that important and that treatment for mental illness is not a necessity. They are wrong. Mental health is intertwined with physical health, and those left untreated will suffer just like anyone else who is chronically or terminally ill. Many Michigan citizens who previously had health insurance are now uninsured and looking to community mental health for help. While Medicaid funding provides some help to those who are eligible, there is a group of uninsured and underinsured who do not qualify for Medicaid, and they depend on non-Medicaid, community mental health funding to get the treatment they need. That has been put in great jeopardy in this budget.

If left without proper care, these people lose their ability to work and care for themselves and their families, and they lost the ability to remain independent. Unfortunately, many of those who enter the criminal justice system suffer from untreated mental illness. Cutting services may save the state money, but it drains local agencies that must pick up the slack, and it floods the corrections system with offenders who need treatment, not jail.

Medicaid is another program we can't afford to keep cutting. Slashing the Medicaid provider rate will reduce access to health care for those already struggling to find a provider who will treat them. Doctors are already limiting the number of Medicaid patients they take in order to keep their businesses afloat. Cutting compensation will drive more Medicaid patients to seek emergency room treatment for non-emergency situations, increasing the strain on hospitals that are already buried under the high cost of absorbing these patients without compensation.

The Medicaid program not only covers basic health care, but also basic programs like adult dental, chiropractic, and podiatry. Oh no, they won't after this budget gets adopted. These may seem disposable and unnecessary on the surface, but the fact is eliminating coverage for them will lead to more severe health problems in the future, again, driving patients to seek care in emergency rooms for pain or infections they can no longer tolerate.

I can't support the expansion of cost share for Medicaid patients because the people who rely on this program can't afford health care. Increasing out-of-pocket costs for this population will have the same effect as cutting provider rates and further strain on hospital emergency rooms that have to take patients because they are sick and cannot afford care anywhere else. Remember, for most people Medicaid is a last resort. No one would choose to be on Medicaid if they could afford the benefits offered by private insurance.

I am appalled that we choose to keep taking away from people who already have so little. When times are tough, we can stay positive by focusing on the fact that we still have our health and can stick it out until the storm subsides, but now, even that is in jeopardy. With our unemployment rate up over 14 percent, the need for state services, especially health care, continues to grow. A health crisis in a family already struggling to make ends meet can be devastating and not just financially.

We need to let the people of Michigan know that we care about their health and are ready to step up and make decisions in their best interests. This bill does not reflect that, and I cannot lend my support to the extreme cuts in this bill—something as critical as health care. I hope that the members of this body will oppose this bill. I have only touched on a few of the items that are wrong with this bill, and there are many more. I hope again that members will vote "no."

Senators Brater, Cherry, Kahn, Clarke, Scott, Whitmer, Gleason, Hardiman, Switalski and Olshove asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Brater's statement is as follows:

Shifting gears now to the Community Health budget, and the issue of the mental health formulary which there was a carve-out for psychotropic medications from the formulary requirement previously, this budget that is before us removes the carve-out. My amendment restores the carve-out.

The reason I am offering this amendment is that there is a very good reason to treat psychotropic medications differently. Medications that treat the brain operate very differently than medications that treat other organs of the body.

The consumer who is offered these medications often, as part of his or her illness, is not happy about taking the medication and often there are serious side effects. There are issues of compliance that are different from medications that treat other organs of the body.

That is the reason that this carve-out should remain. Also we are told by the chair of the subcommittee that, oh, it's okay because if they try these formulary medications and they don't work, they can go back to another medication that's not in the formulary. But I am advised by a psychiatrist that it takes a long time, once you try somebody on a psychotropic medication, to wean the person off of it. Then, as I said, once you do this once or twice, the person who is offered the medication may or may not be willing to continue with the protocol.

Now our whole mental health system is based on an out-patient mental health system. We have closed the vast majority of the hospitals to care for people with mental illness in this state. If there is any chance at all that people are going to be able to function in the community, it is essential that they have quick and easy access to the medications that their physician thinks is going to most expeditiously and appropriately help address their symptoms. I strongly urge my colleagues to support this amendment.

Senator Cherry's first statement is as follows:

As you may know, this budget eliminates all but \$5 million out of the Healthy Michigan Fund. There are many programs, as you can guess, that are very important that are funded through that line item. Almost all of the prevention dollars in Community Health are funded through the Healthy Michigan Fund: things like cancer prevention and control; cardiovascular health; dental programs; many programs dealing with diabetes and diabetes education; infant mortality; lead poisoning; minority health; the Nurse Family Partnership; physical fitness, nutrition, and health; school health services; and smoking prevention programs are just a few of the programs that are funded through the Healthy Michigan Fund.

This amendment restores all of those cuts because it is important at a time when we are trying to provide health care and save on health care costs. We should also be looking at what does save health care costs. The Healthy Michigan Fund does just that. I know that many of the members here will say there just is no money for this. We have gone through that argument over the last few budgets, and I again say to you that there is more than one side to a ledger. There is the cutting side, but there is also the closing of tax expenditures side. We have not even addressed that side of the budget.

I am hopeful that we will start doing that, and as we recognize that there are other sources of dollars through tax expenditures, this would be an area that we would want to fund. I hope that we can put that priority on prevention programs right now. I ask members to support this amendment.

Senator Kahn's first statement is as follows:

I appreciate the good Senator from District No. 22's opinion on the Healthy Michigan Fund, which I share. Our issue, though, is that it does, in fact, include available dollars. How we will be able to balance a budget for the people of Michigan, which programs, though distasteful to cut, will have to be cut. Ultimately, that becomes our responsibility; what we signed up for when we let our names be put on a ballot.

The Healthy Michigan Fund, for all the good work it does, is probably really the ultimate earmark. The monies that we have cut from it are not targeted at any particular program, but rather at a combination of reductions and rolling up the line item which would allow the department to decide which programs that they will support. Injustice, it is more than that because the vast bulk of the dollars are reduced from \$18 million to \$5 million.

There are really three large areas where we can find available dollars to balance this budget. One is in the Healthy Michigan Fund. We need to have this reduction, or we need to be talking about raising taxes. It is that stark. I urge the defeat of this amendment.

Senator Cherry's second statement is as follows:

This amendment is one that restores the community mental health non-Medicaid funding to the Governor's recommendation, which is already, I think, a cut to community health. So this amendment just decreases the amount of the cut. The reason I have asked for this to be restored is because community mental health services already, because of the continued decrease in community mental health dollars from General Fund dollars, are only pretty much able to serve Medicaid-eligible clients. But, as you can guess, there are many more people in this state who need community mental health services than just Medicaid clients, and it has put quite a burden on our community mental system because they just are not able to serve these people.

The mental health community has taken quite a hit in this budget and at a time when we are releasing prisoners on the street and at a time when people in general need more mental health services because of the stress that they are undergoing. This is not a time to cut General Fund funding for mental health services.

So, because of the state of this state in terms of the economy in terms of what we are trying to do, it seems to me that this would be an area where we would want to make sure that we don't fray the services that we are providing. It is a safety net. This amendment restores it to level that still isn't the best that it should be. I ask members again to support this amendment.

Senator Kahn's second statement is as follows:

I rise in opposition to this amendment. It should be noted that the federal rules in regard to cost sharing state that only nominal amounts can be instituted as cost-sharing strategies. Why is that? It is because, of course, we do want people to get care. The notion of co-pays is about making them think a little bit about the level of need. We don't want the dollars to deflect them from getting needed care, but having people with a simple cold show up to an emergency room is not desirable either. The portion of House Bill No. 4436, the Senate version, that addresses co-pays stays within the framework of the allowed federal nominal values. For that reason, I would urge the rejection of this amendment.

Senator Clarke's statement is as follows:

One of the most important issues we are facing right now is health care. The U.S. Congress and this Legislature are working to find agreement on how we can provide health insurance for many millions of our citizens who don't have insurance at all. That's an important objective because many times our people don't have access to health care because they can't afford it. They don't have health insurance.

I'm asking all of you in the Senate to approve this amendment because there is another health care issue that provides a very cruel paradox. We have thousands of citizens in this state who can't find health care, even though they have health insurance. They have health insurance, but they don't have access to health care because they are on Medicaid. Before the proposed 8 percent cut, Medicaid reimbursement rates didn't nearly cover the cost of providing medical care to patients receiving Medicaid health insurance coverage.

As a result, many hospitals and physicians moved out of areas that had low-income residents, such as our cities and farm areas. I'm asking you to invest \$97 million to fully restore the proposed 8 percent cut to Medicaid providers. Where are we going to find the money? I ask you to take part of the General Fund savings created by the additional federal match under the federal recovery act. I know we need to use that to balance the budget, but let's use a good portion to balance the budget—90 percent we can use to balance the budget. If we just invest 10 percent of the savings that the federal government provides us, we can fully fund the state portion to make sure there are no further cuts to our Medicaid providers.

Some of you might say why should we do this? We can't afford to even do that. Here is my answer and this is the most important thing—even though the Senate might not be listening, I will speak directly to the people of this state—we cannot afford not to fund this. If we fund this amendment, we will receive three times the amount of money from the federal government. We will receive a three-time match to every dollar that we invest. For nearly \$100 million that we invest to provide Medicaid funding to our Medicaid providers, we will receive nearly \$300 million. There is an additional \$300 million at stake right here that we can only get by voting "yes" to this amendment. I urge you to do so.

Senator Kahn's third statement is as follows:

I rise in opposition to the Clarke amendment. It is \$94 million and of that \$94 million, half of it, 4 percent, was part of the executive order which we all agreed to. If there is someone, I heard a rumbling that someone maybe didn't vote for that. If not, I certainly would like to know who.

The methodology by which these funds are subtracted from the budget, this 8 percent cut is able to be made whole completely or in part through the existence of the Quality Assurance Assessment Program. I have had conversations with some of the affected providers—there are three here: physicians, hospitals, and nursing homes—about methodologies to use that program to alleviate some of these cuts, which are indeed severe. I am hopeful that they will be successful.

As we go forward here in constructing a budget, this is the last of the three areas that I identified that are available for us to make reductions to meet our budget targets and address the issue of taxes versus right sizing government. I urge the rejection of this amendment and of the \$94 million price tag associated with it.

Senator Cherry's third statement is as follows:

This amendment takes the Medicaid provider rate back to the E.O., which means that providers would get a decrease in their provider rate, which means they will be cut 4 percent—about \$47 million, which is about half of what the prior amendment costs. It is a great deal that now maybe the chairman of the Appropriations subcommittee can actually hear, but it is a 4 percent reduction in the Medicaid provider rate. As I said, it costs about \$47 million. Even with this, again, we are trying to make sure that, as it was said earlier, Medicaid providers continue to provide care to their patients, and hospitals are still able to operate even though they will have problems with this 4 percent cut. It is not as onerous as the 8 percent cut.

Even with the amendments that I have, the total of the amendments I have is still \$100 million below the Governor's recommendations. I am trying to cut, too, and recognize that we have a serious problem but also recognize that we have to make sure that health care is provided. I ask that my statement be printed in the Journal and really ask my fellow members to support this because we do need to make sure that Medicaid is provided by our doctors and our hospitals.

Senator Kahn's fourth statement is as follows:

I appreciate the comments here of the Senator of the 26th District, as I did those of the Senator from the 1st District. It's the same issue, same cost overrun problem for us, and same arguments for rejection; this time of a \$47 million budget buster. I ask the defeat of this amendment in the same way that we defeated the last one. If there should come funds later



or through the target-setting process, these things can be re-addressed at that time—all of them that we have talked about.

But as it stands today, the dollars that we have, which are weakening month by month, are nowhere near those that were laid out in any of the budgets, and in particular, this budget in February.

Senator Cherry's fourth statement is as follows:

This amendment concurs with the House funding for aging community services. As you may know, this budget does something that's good. There is something in this budget that I think is good and that is that it continues to work to transition people from nursing homes into independent care when nursing homes are not the appropriate placement for them. However, even though this budget works on that, it also cuts one of the services that people need when they are trying to live independently in their homes. That is through the community service line item of the office on aging.

So it seems to me that would be something we want to restore. It is not very much money. It's only \$955,000. It provides a great service to people who need to stay in the home and we want to stay in their home because it costs us less money in the long run. I hope, again, that members will support this amendment, although I haven't got a very good track record this afternoon. This amendment is one that I think people should support.

Senator Kahn's fifth statement is as follows:

I have to smile a little about the modesty of the Senator from the 26th District. I think she's doing just fine. General Orders, I think, was all about you, young lady. This amendment I have sympathy for, though, I will oppose. As the good Senator knows, my wife works in this community. My wife's job is jeopardized by this. I, like you, am not here to advocate for just my family, of course, but for all the citizens of Michigan and for a budget that is balanced and responsible. Therefore, with considerable reluctance on this, as I did on the others, I must urge the body to vote "no." We don't have the money.

Senator Cherry's fifth statement is as follows:

This amendment strikes some boilerplate language that shifts the MICHild program from Blue Cross Blue Shield to HMOs. Just as a little bit of background information, the MICHild program was implemented to ensure access to vital health, vision, and dental care for children of low-income families. I know that you all know that, but it is important to know that the MICHild covers some very important services like check-ups, shots, emergency care, dental care, pharmaceutical drugs, hospital care, prenatal care and delivery, vision and health, and mental health and substance abuse services.

The change that has been proposed in this DCH budget would transfer the administration for the MICHild program from Blue Cross Blue Shield of Michigan to Medicaid HMOs. You are going to be told that this change is a cost-saving increase. I believe that this change would greatly disrupt coverage and create access issues for Michigan families in a number of ways.

First of all, Blue Cross Blue Shield of Michigan administers the MICHild program and assumes over \$15.5 million in annual cost that it does not bill back to the state. As part of its social-mission spending, the Blues have chosen to bear the annual cost of administering this program. Families that opt to enroll in MICHild currently receive a Blue Cross card, and you know how widely recognized that is. They enjoy a network of providers operating in all 83 counties and accepted by more providers than any other carrier in the state. Converting MICHild to a managed-care-only program would create problems for families in areas, but relatively few Medicaid providers currently exist. Access to quality and comprehensive health care services would be greatly jeopardized.

Providers currently benefit from reimbursement to Blue Cross Blue Shield of Michigan provider rates and not the Medicaid rates as this proposal will adopt. So providers will get less reimbursement. Families in many areas of the state are already struggling to locate doctors who will accept Medicaid, and I fear that more providers will then decide not to take MICHild clients. Those providers who accept Medicaid must accept lower Medicaid reimbursement rates as payment in full, and we just talked about how we even lowered those rates more.

Many providers are opting out to no longer participate in the Medicaid program because rates are not keeping pace with inflation with the actual cost of care. I believe if this change is adopted, many of them would not participate in the program, leaving families with decreased access to health care coverage. Approximately 28,000 of the state's 32,000 MICHild enrollees are currently covered under a Blue Cross Blue Shield of Michigan card.

The hospital and provider network under Blue Cross is large and includes all general hospitals and a comprehensive list of health care providers in Michigan. A change to a managed-care arrangement would create a disruption in coverage for the 28,000 children currently covered under Blue Cross who would be forced to try and secure coverage with the Medicaid managed-care provider. It is one of those programs that has a difficult population to enroll, and to convert those kids to a Medicaid provider would just cause so much disruption that it won't be worth any savings, if we get any savings at all because of this program.

I hope members would adopt this amendment. Reject the transfer of Blue Cross to HMOs for the MICHild program.

Senator Kahn's sixth statement is as follows:

I rise in opposition to this amendment. Our HMO networks across the state of Michigan are superb. We have four HMOs in Michigan that are in the top 25 in the entire nation, two in the top ten. I don't think there is really a question of degradation of care here. I think that on reflection, I would hope that the good Senator would agree with me that our HMOs are fine.

Really, the issue here is one of the funding. By making this transfer, patients, children may be reconnected with the rest of their family in the same HMO. That is probably the case, not just maybe the case. But, in particular, because of the Medicaid matching rates that were brought up before as part of the issue in the cuts to providers, the state will see about another \$2 million worth of income. It is an interesting number. That is about the same as the dollars we will be using to fund the MICR.

I urge the rejection of this amendment as a cost-savings measure for the people of Michigan and as a reuniter in an excellent HMO network community across our state.

Senator Kahn's seventh statement is as follows:

Indeed, it is true that the good Senator from the 26th District and I have discussed modifying this particular amendment, but we did not come up with the language that would allow us to do that. The notion of having a bid process is very sound, of course. Whether or not this amendment, as currently constructed, is going to be the ultimate expression of that process is uncertain. But since there is nothing like this in the House bill, we cannot remove this, or we will not have a point for discussion between the Senator from the 26th District and me. I urge the retention of this boilerplate and the rejection of her amendment, and the process will move forward.

Senator Cherry's sixth statement is as follows:

This amendment deals with a program we provide in Michigan. It has both state and federal funding, and it is what is called the Michigan Essential Health Provider Program. What it does is for medical professionals, doctors, nurses, and any medical professional who are going to school and get a loan, this program helps repay the loan if providers work in underserved areas. It seems, if we are trying again to lower costs of medical care, that this would be something we would want to do. We have a shortage of many medical professionals in this state, especially in cities, urban settings, and rural settings. I really don't understand why we are being short-sighted and cutting this program. I hope that members do support it; that we make sure that we do have physicians, nurses, and medical professionals in underserved areas. This amendment does that.

Senator Kahn's eighth statement is as follows:

I rise in opposition to this amendment. It is a worthy program. I went to school on loans myself. It would be great if there was the money available for this and also for the nursing programs that we addressed earlier today in terms of being able to provide funding and support for them. There are loan dollars available and would be an appropriate substitute for an individual seeking support to go through school to find that support through the loan programs.

So for the same reason that we have discussed the preceding nine amendments—dollars and our lack thereof—I urge the defeat of this amendment as well.

Senator Kahn's ninth statement is as follows:

I greatly appreciate working with Senator Cherry on this budget. She is thoughtful, and her concerns here are also thoughtful. In the same sense, in Genesee County, which has an excellent medical community, they found that the most efficient way to deliver care is to coordinate it. It is true across the rest of the state. Taking substance abuse and artificially separating it from mental health is a mistake.

The number of people who have substance abuse problems who don't have mental health issues is pretty small. Folding these two departments together saves us \$1 million; gets rid of one level of administration; allows for coordinating care; and improves the delivery of that care to our people. It is for those reasons that they fixed the problem in Genesee and in many of our counties across Michigan. Coordinating agencies are a part of their community mental health organizations and PIHPs. This should be encouraged, and this existing language does that. I urge the rejection of this amendment.

Senator Scott's first statement is as follows:

Amendment No. 12 would roll together all the CMH non-Medicaid funding lines and would restore funding to the Governor's recommendation of \$320 million or \$54 million over the level currently in this bill. Amendment No. 13 is related and would restore the current year allocation formula for CMH non-Medicaid funding.

Current year allocations for CMH non-Medicaid funding are based on a distribution formula that has been in place for many years. This budget would change that formula in a way that I feel is grossly unfair. The new formula is perpetrated to be more equitable. However, just because of the formula change, Wayne County mental health services would lose \$25 million or about 23 percent of their funding. This is on top of the \$18 million they will lose as a result of the across-the-board cut to all CMHs. Detroit-Wayne would stand to lose a total of about \$43 million or about 40 percent of their funding under this current budget.

How can we say this is equitable in any way? I know the department and many of the 40-plus other CMH agencies will argue that the new formula distributes money where it is needed. But, intuitively, we know that Detroit and Wayne County have the largest population of persons who need these services.

Wayne County has served a larger number of persons over the last several years than any other agency. Everyone should share in the pain of these difficult budgets. But to cut one agency by over 40 percent is outrageous. My two amendments would roll together the line item for CMH, restore funding to the Governor's recommendation, and would maintain the current year funding allocation.

We must all keep in mind that we talked about it in another budget—the Corrections budget—that about 4,000 prisoners are coming out. These prisoners are being processed right now in my district, Mound and Ryan. The majority will be coming to Wayne County. We know that there are so many who have been incarcerated with mental health issues and so many who were incarcerated became mentally ill just being in prison. But these people will be coming out not because they are coming out earlier, but they have done their time and are being released. We need to make sure that we have the proper funding available when they come into the communities.

I would hope that you would think about this, and let's do something about this one.

Senator Kahn's tenth statement is as follows:

I thank, as well, the good Senator from the 2nd District with her unfailing charm. Let me address the first of these two. The first is the amendment labeled No. 12. We addressed that earlier in the amount of money that will be available through the CMH non-Medicaid line currently funded at \$322 million and at that number before the roof or the basement or the sides of the building fell out in our budget house. That led, of course, to the reductions that you see.

I think, really, that the area that is new is Amendment No. 13 in the funding formula. Let me address that. The CMH non-Medicaid funding formula was the result of convening the mental health community in 1998, and that was the first time it was done. A funding formula to decide what was an equitable distribution of funds was created. What is an equitable distribution of funds? Equity was defined largely by a different word—"need." Then, of course, you have the issue of what is need? Need became defined by proxies—things that would demonstrate that there was, in fact, some need. What were the proxies? Things like school lunch programs, crime rates in a community, and poverty. Those became the basis for that formula. It was applied that year. The following year, there were some concerns about it, and it was applied in another formula that was put together in 1999 or perhaps 2000.

Those formulas got into hot water because, like all formulas, they apply to all of us and not to just a certain segment of the population. There was no formula available until last year. When a community mental health organization got into some trouble, the mental health director would reach into his pocket or look into his budget, as it were, and find \$1 million here or \$1 million there to straighten out the scrape that the community mental health agency was in.

In a way to get beyond that kind of funding mechanism, a new round of meetings was held. Every CMH in the state was invited, and a new formula was developed through their meetings. I had nothing to do with it. A new formula on equity was applied in the cuts that were part of the executive order last year. It is now part of how the department plans to fund next year. As such, it is deserving of the respect that its creation implies. Everybody was involved. Yes, there are some losers, but it is equitable. I urge the defeat of Amendment No. 13, as well as No. 12.

Senator Scott's second statement is as follows:

If there was ever anything that was truly, truly important in this budget, it is this amendment that I have. The Senator from the 18th District said most of what I wanted to say. The chair of the committee mentioned that it was equitable and that the CMHs had voted on this. Well, when you get an opportunity—and if Wayne County only got one vote out of that, of course, if they could take the dollars away for their community, they would do that. But I don't think anyone realizes that there would be 4,000 inmates who are going to be released, and the majority of them in Wayne County. They even chose Wayne County for all of these prisoners to be processed. I would hope that now that we know that they are coming out, we don't have all of the dollars that are necessary, or at least we are not putting all the dollars in for these prisoners to come out. They are coming out, so I think we need to have a change of heart and realize that it is going to be very devastating if we don't make some change in this formula.

I would ask that we would accept both of these amendments, and then later we can think about how we are going to do this. But at this time, we know it is truly important that we don't use this new formula. It is disastrous, and it is on us because it is up to us to make a difference in this.

Senator Whitmer's statement is as follows:

Yesterday, I noticed that a number of members offered amendments to the higher education and community colleges budgets that went something like this: "If additional funding becomes available, the Legislature would like it to go to promise zones," which is what the Senator from the 13th District said; or Michigan tuition grant, which is what the Senator from the 32nd District said; or renaissance zones, which is what the Senator from the 33rd District said. Truth be told, I was kind of surprised. What does it mean "if funding becomes available?" These were amendments offered by

the same people who wrote the budget bills, after all, that slashed those very programs. So they were amorphous, feel-good amendments, I guess.

Well, that inspired me not to do the same, but to look to save something I care about in these budgets with a very real, possible, measurable contingency. So here it is. My amendment provides that should we, the Legislature, repeal our one-in-the-nation drug immunity law—the same law that precludes our citizens victimized by a dangerous pharmaceutical drug from recovery—if we decide to stop treating our people as second-class citizens and give our people the protections people in the other 49 states enjoy, then any dollars that the DCH recovers in their capacity as a third-party intervener under current law and in that capacity negotiates to recover Medicaid losses, those dollars—estimated based on others states' recovery for the same to be in the realm of \$30 million - \$80 million—those dollars would be used for the Medicaid adult dental services, school-based health centers, and expand the Healthy Kids dental program statewide to all 83 counties to kids in every one of our counties.

Talk about the proverbial win-win. We could right the wrongs we have perpetrated on Michigan pharmaceutical victims and shore up the safety net obliterated by this budget bill if we adopt this amendment and change the drug immunity law. I ask for your support.

Senator Kahn's eleventh statement is as follows:

I appreciate the continuing passion of the Senator from the 23rd District on this issue. I didn't have a chance to see this prior to today, but that probably, all in all, isn't critical because, clearly, this is an area where we are contending between the parties now, and it really doesn't belong in the budget bill. It belongs in debate before this floor in consideration of where we are going to go on this issue at a later time. I urge, therefore, its rejection.

Senator Gleason's first statement is as follows:

We have been discussing funding priorities here for most of the day. I think one of our greatest obligations is to make sure that we offer health care to the uninsured, particularly those who would like to have the insurance. Over the past few years, it has been discussed that many Michigan citizens do not prefer the insurance coverage. For those who lose their jobs today, and we know there are too many of them, they have an opportunity to purchase COBRA.

There are a lot of things I would like to purchase too, but I can't afford them. COBRA falls into that wish list, except that is not only a wish, but it is a need for many families. What my amendment does is ask that we make COBRA somewhat more affordable for families here in Michigan, those who are uninsured and would like to have it. I have a simple request—I think it is a benevolent request—to put back \$5 million into the COBRA fund, so that we have it subsidized for the families who don't have it.

Far too often, we have talked about preventative care rather than accumulative crisis care. If we offer these families and potential carriers of COBRA a chance to have affordable health care, maybe they can get in sooner to prevent some of the long-term ramifications that we lose by not having early detection, whether it is high blood pressure, sugar diabetes, or other health concerns.

I ask that we consider this and support it to make health insurance more affordable. It is \$5 million, and I think we can help many people who would request it. I am here speaking for those who would like to have COBRA but can't afford it. I think we have the ability today to make that much-needed insurance affordable.

Senator Kahn's twelfth statement is as follows:

I rise in opposition to this amendment. Like the amendment prior, it was first seen by me today. It avows some considerable policy issues, as well as some funding issues, where the money is coming from and how county-shared plans and third-share plans would lose \$5 million here, if I read this correctly. It is brand-new for me to read.

How it will all be dealt with is also unclear, and therefore, I oppose this amendment. I ask for its defeat.

Senator Hardiman's statement is as follows:

This amendment is a very simple one. It simply adds a \$100 placeholder for coordinating information between the LEIN system and the new Bridges DHS system. Obviously, this affects the community health in that the DHS staff do eligibility for Medicaid. This continues the policy from the current fiscal year. It is important to ensure assistance payments only go to those who are entitled to them, especially in this very difficult time of budget cutting. I ask the body's approval of the amendment.

Senator Kahn's thirteenth statement is as follows:

I would like to thank Dr. George for his comments. Among the concerns which have been raised in changing the preferred drug list are about safety for our patients, efficacy for our patients, the behavior or potential behavior of the department, and on your desk to address that I gave you a one-pager.

I would like to talk about addressing prescriber concerns and consumer concerns. When a prescriber requests a non-preferred drug, he or she must attain prior authorization; therein is the rub. A step-added process is what it is called. It can be employed upon the recommendation of the pharmacy and therapeutics committee and allow prescriptions for

certain non-preferred drugs to proceed without the need for prior authorization if a preferred drug has been previously prescribed. You don't have to have prior authorization if you are already on it.

The prior authorization process has become more sophisticated and streamlined, and a prescribing doctor who needs to use it can use toll-free telephone lines, toll-free fax lines, and a secured Internet-based web for prior authorization. It can be accessed 24 hours a day, 7 days a week. There is even capacity to bypass the need for prior authorization by simply writing a diagnosis code on the prescription; simply write a diagnosis, no prior authorization.

Addressing consumer concerns, all individuals currently using a psychotropic drug identified as non-preferred by the pharmacy and therapeutics committee will continue to receive their existing prescriptions without prior authorization.

The Michigan Department of Community Health will communicate extensively with consumers, clinicians, advocates, and the pharmacy communities during all phases of the implementation process to ensure many opportunities for input are provided. The goal is to ensure that the best and most appropriate psychotropic medications remain available and accessible to the people we serve.

In my office, I had multiple meetings with folks who are lobbyists for the pharmaceutical community. They brought me papers, medical papers, many of them. I don't know maybe eight, nine, ten on up. In the bulk of the papers brought to me, they had little carve-out sections—talking about a carve-out—where they mention what would be a good preferred drug list and how it could work. I sent these to the Department of Community Health. Michigan is doing these things already.

I leave you with this last restatement. What the department currently has contains even the capacity to bypass the need for prior authorization by a physician by simply writing a diagnosis code on the prescription.

Senator Olshove's statement is as follows:

I do believe there are many people in this chamber; in fact, the good doctors who may be speaking from a practice that they haven't been at. I have experienced the situation that we are talking about. I think, if you recall, it was four and a half years ago I came back to this microphone after going through a very tough time. I've gone through that time over and over again over the last few years. I wouldn't wish that on anybody.

To change this is putting many people in jeopardy—people with epilepsy, people who can actually hurt people on the road—should they not be able to take the proper medication that they have attained a balance with. It is very tough to establish a balance. If that is jeopardized, or if some board with some doctors come and tell you that you are not entitled to that drug or it's not on our list anymore or if I have to fight for that drug to reestablish some balance, to establish some safety on the road, I think it is unconscionable that this body would approve that.

I would appreciate your "yes" vote on the Brater amendment please.

Senator Switalski's statement is as follows:

I appreciate the dedication and diligence that Senator Brater brings to the job and her tireless advocacy for the mentally ill. I also appreciate the comments from my good colleague, Senator Olshove. But I think the problem that he lays out is changed in this legislation. It is not the same as it was some years ago to the point where if you are on a type of psychotropic drug, you would be allowed to continue that. So that is a significant change from what it was in the past, and I think it would deal with the situation he is describing.

Reluctantly, I am going to vote "no" on this amendment. I believe discussion on this policy change must go forward. This is not a partisan issue. The EO eliminated this carve-out, and it was supported by both parties. The Governor's budget also eliminated this carve-out. The House disagrees with us and wishes to maintain the status quo, but I believe this issue should advance to the conference table, and so a point of difference is justified. If we have this and the House doesn't have this, this can be settled at the conference table. Defeat of this amendment would allow this to go forward to the conference committee.

Only in the context of making actual choices can we come up with good policy. The actual choices are we do have to cut \$7.5 million. If we don't cut it on this item, we'll be cutting it on some other item. It's best that we make a choice between alternatives. I believe that everything should be on the table, therefore, I am going to vote against this amendment.

Senator Cherry's seventh statement is as follows:

I only want to add my words to support of this amendment. I also have had experience personally with family members, and I know how important it is to have a good balance of medication. I don't care what we talk about in terms of what we think will happen. There is a problem with changing this. I hope that members will continue to vote for the Brater amendment.

Senator Gleason's second statement is as follows:

I believe we made a lot of tough decisions today which we didn't necessarily have to make. I think we are about to do that again right now. People are saying that we must cut, but do we really have to? Now there has been an option which

has been presented to us a few weeks ago saying that maybe we don't have to make all of these cuts; that maybe we do have a funding stream which we haven't yet had the courage enough to address.

Pretty much most of today, we have put our citizens at greater risk, and in many cases, harm's way by cutting these budgets. But why don't we take the responsible step and put our sick, ailing, and invalid citizens ahead of certain tax credits? Why don't we look at an approach about funding some of these ailments instead of always cutting? Why do we cut things which are vital to our families?

About an hour and a half ago, it was said, well, this is what we signed up for. I didn't sign up to cut any sick persons' benefits. That's not what I signed up for, but we've been doing that pretty much most of today. So I think it's high time we take a serious look when we're giving special treatments to special interests over sick people.

Let's take a responsible look at tax credits. I'm one who says let's put them all on the table, those which may be favorable to the Democrats and those which may be favorable to the Republicans. But let's quit putting special interests above sick Michiganians. We've done that for too long. The constant remarks in regard to the amendments today trying to stand up and afford some sense of relief for our sick constituents in everyone's district in all parts of the state should be met with an equal, maybe a higher, responsibility—look at tax credits. Why give special treatment, special breaks, and funding opportunities to special interests over sick and dying Michiganians?

We can do better than this. There's not a single person in this room who would stand by if they had a sick child or a dying parent to say that we can't find a purpose in setting aside some tax credits for funding the sick and the ailing. So let's look at this closer. We can do better than this and we should.

Senator Kahn's fourteenth statement is as follows:

With great reluctance, I rise to oppose this amendment. The amendment is not well written. It says, "(i) The department shall comply with and reimburse a prescription containing a doctor's dispense as written order for all behavioral health patient prescriptions." That would include high blood pressure pills, heart pills, diabetes medications, and on and on.

As part of the discussion that we have had on this entire subject today, there is a message and that is to get it right and get some protections in. There isn't a message that we want to back away from everything we have ever done and every other part of the dispense as written versus prior authorization P&T committee actions.

So this amendment, I understand why it is here, but it is poorly written, or unfortunately written—is a nicer way to say it. I would look forward to working with Senator Brater to give some of the protections she would like as we go through the process of policy bills and bills in Appropriations.

Senator Cherry's eighth statement is as follows:

I hope that the good chairman of the subcommittee would reconsider his opposition to this amendment. The words "behavioral health" are an accepted term of art which refers to medication for brain disorders. It's pretty clear that what we're talking about is specifically the issue of psychotropic drugs. I believe that these are all verbal assurances that have been given to us through subcommittee meetings and from department discussions. It seems to me it makes sense to put them in writing in boilerplate in the bill so that we're very clear about this policy.

I hope, I hope that the chairperson of this committee would reconsider his opposition to this amendment and place this language into the bill. As we've heard from members, there's experience regarding this issue from a wide variety of perspectives within the membership of this body. I think it's only fair to have some language to reassure us that what we are doing does not jeopardize the mental health of any citizen of this state. I ask that the chair reconsider his opposition and all of us vote in favor of this amendment.

Senator Kahn's fifteenth statement is as follows:

In concluding remarks before we vote here, I'd like to thank Senator Cherry for her passion and for the things that we could work on together and advocate for together; Senator Pappageorge, the majority vice chair, for his work; and all the committee members: Senator Barcia, Senator Switalski, Senator George, and Senator Stamas.

This budget, as proposed, as Senator Cherry points out, has weaknesses. Those weaknesses are a reflection of the weaknesses in our economy. They are not weaknesses in caring or wanting, as Senator Cherry so well points out.

But there are some good things in this budget. Let's close with some of the positives. There's restoration of the CMH multicultural line item, which funds folks in southeast Michigan in particular, but actually all across the state, who are in need. Some small clinics have been restored. Early childhood collaborative, secondary prevention, and nurse family partnerships were restored. A priority in this budget was staked out for children—for children. We found in the adult home-help community that the folks who work there are just dramatically undersupported and that's helped too. We improve the institutional memory, the ongoing retention of employees and, therefore, the quality of care that is delivered by these folks. We even found a way to move toward a new idea for Healthy Kids dental, adding it to Sterling Heights, Macomb County, and Highland Park in Wayne County—both communities with children in need.

As we move on, hopefully, to pass this budget and then to the conference committee, you can defend the notion that this budget with its cuts defended children. I ask for its passage.

The following bill was read a third time:

**House Bill No. 4447, entitled**

A bill to amend 1979 PA 94, entitled “The state school aid act of 1979,” by amending sections 3, 6, 11, 11a, 11g, 11j, 11k, 11m, 15, 18, 20, 20d, 20j, 22a, 22b, 22e, 24, 24a, 24c, 26a, 26b, 31a, 31d, 31f, 32b, 39a, 51a, 51c, 51d, 53a, 54, 61a, 74, 81, 94a, 98, 99, 99i, 101, 104, 104b, 107, 147, and 164c (MCL 388.1603, 388.1606, 388.1611, 388.1611a, 388.1611g, 388.1611j, 388.1611k, 388.1611m, 388.1615, 388.1618, 388.1620, 388.1620d, 388.1620j, 388.1622a, 388.1622b, 388.1622e, 388.1624, 388.1624a, 388.1624c, 388.1626a, 388.1626b, 388.1631a, 388.1631d, 388.1631f, 388.1632b, 388.1639a, 388.1651a, 388.1651c, 388.1651d, 388.1653a, 388.1654, 388.1661a, 388.1674, 388.1681, 388.1694a, 388.1698, 388.1699, 388.1699i, 388.1701, 388.1704, 388.1704b, 388.1707, 388.1747, and 388.1764c), sections 3, 6, 11, 11a, 11g, 11j, 11k, 11m, 15, 18, 20d, 22a, 22b, 24, 24a, 24c, 26a, 26b, 31a, 31d, 31f, 39a, 51a, 51c, 51d, 53a, 54, 61a, 74, 81, 94a, 98, 99, 99i, 104, 104b, 107, 147, and 164c as amended and section 22e as added by 2008 PA 268, sections 20, 20j, and 32b as amended by 2008 PA 561, and section 101 as amended by 2006 PA 342; and to repeal acts and parts of acts.

The question being on the passage of the bill,

Senator Cherry offered the following amendments:

1. Amend page 76, line 1, after “subsection” by striking out “(13)” and inserting “(14)”.
2. Amend page 76, line 3, after “(6)” by striking out the comma and inserting “or (7)”.
3. Amend page 76, line 20, after “(6)” by striking out the comma and inserting “or (7)”.
4. Amend page 78, line 12, after “(5)” by striking out “OR” and inserting a comma.
5. Amend page 78, line 12, after “(6)” by striking out the period and inserting a comma and “or (7)”.
6. Amend page 79, line 12, after “subsection” by striking out “(11)” and inserting “(12)”.
7. Amend page 79, following line 19, by inserting:

“(6) From the funds allocated under subsection (1), there is allocated for ~~2008-2009~~ **2009-2010** an amount not to exceed \$4,743,000.00 to support child and adolescent health centers. These grants shall be awarded for 5 consecutive years beginning with 2003-2004 in a form and manner approved jointly by the department and the department of community health. Each grant recipient shall remain in compliance with the terms of the grant award or shall forfeit the grant award for the duration of the 5-year period after the noncompliance. Beginning in 2004-2005, to continue to receive funding for a child and adolescent health center under this section a grant recipient shall ensure that the child and adolescent health center has an advisory committee and that at least one-third of the members of the advisory committee are parents or legal guardians of school-aged children. A child and adolescent health center program shall recognize the role of a child’s parents or legal guardian in the physical and emotional well-being of the child. Funding under this subsection shall be used to support child and adolescent health center services provided to children up to age 21. If any funds allocated under this subsection are not used for the purposes of this subsection for the fiscal year in which they are allocated, those unused funds shall be used that fiscal year to avoid or minimize any proration that would otherwise be required under subsection (14) for that fiscal year.” and renumbering the remaining subsections, and adjusting the general fund totals in section 11 and enacting section 1 accordingly.

8. Amend page 81, line 25, after “(6),” by striking out “(11)” and inserting “(7), (12)”.
9. Amend page 81, line 26, by striking out “(12)” and inserting “(13)”.
10. Amend page 82, line 4, after “(6),” by striking out “(11)” and inserting “(7), (12)”.
11. Amend page 82, line 4, after “and” by striking out “(12)” and inserting “(13)”.

The question being on the adoption of the amendments,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 325**

**Yeas—15**

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

**Nays—20**

Allen	Cropsey	Jelinek	Patterson
Birkholz	George	Kahn	Richardville

Bishop  
Brown  
Cassis

Gilbert  
Hardiman  
Jansen

Kuipers  
McManus  
Pappageorge

Sanborn  
Stamas  
Van Woerkom

**Excused—1**

Garcia

**Not Voting—1**

Prusi

In The Chair: Richardville

Senator Thomas moved that Senator Prusi be excused from the balance of today's session.  
The motion prevailed.

Senator Clark-Coleman offered the following amendments:

1. Amend page 65, line 22, after "**EXCEED**" by striking out "**\$2,963,900,000.00**" and inserting "**\$3,138,100,000.00**" and adjusting the general fund totals in section 11 and enacting section 1 accordingly.

2. Amend page 66, line 23, after "51c" by striking out the balance of the subsection and inserting a period.  
The question being on the adoption of the amendments,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 326**

**Yeas—15**

Anderson  
Barcia  
Basham  
Brater

Cherry  
Clark-Coleman  
Clarke  
Gleason

Hunter  
Jacobs  
Olshove  
Scott

Switalski  
Thomas  
Whitmer

**Nays—20**

Allen  
Birkholz  
Bishop  
Brown  
Cassis

Cropsey  
George  
Gilbert  
Hardiman  
Jansen

Jelinek  
Kahn  
Kuipers  
McManus  
Pappageorge

Patterson  
Richardville  
Sanborn  
Stamas  
Van Woerkom

**Excused—2**

Garcia

Prusi



**Not Voting—0**

In The Chair: Richardville

Senator Clark-Coleman offered the following amendments:

1. Amend page 75, following line 23, by inserting:

“Sec. 29. (1) From the appropriation in section 11, there is allocated an amount not to exceed ~~\$20,000,000.00 each fiscal year for 2007-2008 and for 2008-2009~~ **\$18,000,000.00 FOR 2009-2010** for additional payments to eligible districts for declining enrollment assistance.

(2) A district is eligible for a payment under this section if all of the following apply:

(a) The district’s pupil membership for the current fiscal year is less than the district’s pupil membership for the immediately preceding fiscal year and the district’s pupil membership for the immediately preceding fiscal year is less than the district’s pupil membership for the previously preceding fiscal year as calculated under section 6 for that fiscal year.

(b) The district’s average pupil membership is greater than the district’s pupil membership for the current fiscal year as calculated under section 6.

(c) The district is not eligible to receive funding under section 6(4)(y) or 22d(2).

(3) Payments to each eligible district shall be equal to the difference between the district’s average pupil membership and the district’s pupil membership as calculated under section 6 for the current fiscal year multiplied by the district’s foundation allowance as calculated under section 20. If the total amount of the payments calculated under this subsection exceeds the allocation for this section, the payment to each district shall be prorated on an equal percentage basis.

(4) For the purposes of this section, “average pupil membership” means the average of the district’s membership for the 3-fiscal-year period ending with the current fiscal year, calculated by adding the district’s actual membership for each of those 3 fiscal years, as otherwise calculated under section 6, and dividing the sum of those 3 membership figures by 3.” and adjusting the general fund totals in section 11 and enacting section 1 accordingly.

2. Amend page 167, line 4, after “22d,” by striking out “29,”.

3. Amend page 167, line 7, after “388.1622d,” by striking out “388.1629,”.

The question being on the adoption of the amendments,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 327**

**Yeas—15**

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

**Nays—20**

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

**Excused—2**

Garcia	Prusi
--------	-------

**Not Voting—0**

In The Chair: Richardville

Senator Clark-Coleman offered the following amendments:

1. Amend page 92, following line 19, by inserting:

“Sec. 32c. (1) From the general fund appropriation in section 11, there is allocated an amount not to exceed ~~\$2,125,000.00 for 2008-2009~~ **\$1,912,500.00 FOR 2009-2010** to the department for grants for community-based collaborative prevention services designed to foster positive parenting skills; improve parent/child interaction, especially for children 0-3 years of age; promote access to needed community services; increase local capacity to serve families at risk; improve school readiness; and support healthy family environments that discourage alcohol, tobacco, and other drug use. The allocation under this section is to fund secondary prevention programs as defined by the children’s trust fund for the prevention of child abuse and neglect.

(2) The funds allocated under subsection (1) shall be distributed through a joint request for proposals process established by the department in conjunction with the children’s trust fund and the interagency director’s workgroup. Projects funded with grants awarded under this section shall meet all of the following:

(a) Be secondary prevention initiatives and voluntary to consumers. This appropriation is not intended to serve the needs of children for whom and families in which neglect or abuse has been substantiated.

(b) Demonstrate that the planned services are part of a community’s integrated comprehensive family support strategy endorsed by the community collaborative and, where there is a great start collaborative, demonstrate that the planned services are part of the community’s great start strategic plan.

(c) Provide a 25% local match, of which not more than 10% may be in-kind services, unless this requirement is waived by the interagency director’s workgroup.

(3) Notwithstanding section 17b, payments under this section may be made pursuant to an agreement with the department.

(4) Not later than January 30 of the next fiscal year, the department shall prepare and submit to the governor and the legislature an annual report of outcomes achieved by the providers of the community-based collaborative prevention services funded under this section for a fiscal year.

Sec. 32d. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$88,100,000.00 for 2008-2009~~ **\$79,560,000.00 FOR 2009-2010** for great start readiness or preschool and parenting program grants to enable eligible districts, as determined under section 37, to develop or expand, in conjunction with whatever federal funds may be available to the district and its community, including, but not limited to, federal funds under title I of the elementary and secondary education act of 1965, 20 USC 6301 to 6578, chapter 1 of title I of the Hawkins-Stafford elementary and secondary school improvement amendments of 1988, Public Law 100-297, and the head start act, 42 USC 9831 to 9852, part-day or full-day comprehensive compensatory programs designed to do 1 or both of the following:

(a) Improve the readiness and subsequent achievement of educationally disadvantaged children as defined by the department who will be at least 4, but less than 5 years of age, as of December 1 of the school year in which the programs are offered, and who show evidence of 2 or more risk factors as defined in the state board report entitled “children at risk” that was adopted by the state board on April 5, 1988. To the extent allowable under federal law, a district shall not use funds received under this section to supplant any federal funds received by the district or its community. For the purposes of this section, “supplant” means to serve children eligible for a federally funded existing preschool program that has capacity to serve those children.

(b) Provide preschool and parenting education programs similar to those under former section 32b as in effect for 2001-2002. Beginning in 2007-2008, funds spent by a district for programs described in this subdivision shall not exceed the lesser of the amount spent by the district under this subdivision for 2006-2007 or the amount spent under this subdivision in any subsequent fiscal year.

(2) A comprehensive free compensatory program funded under this section shall include an age-appropriate educational curriculum, as described in the early childhood standards of quality for prekindergarten children adopted by the state board, that prepares children for success in school, including language, early literacy, and early mathematics. In addition, the comprehensive program shall include nutritional services, health and developmental screening as described in the early childhood standards of quality for prekindergarten for participating children, a plan for parent and legal guardian involvement, and provision of referral services for families eligible for community social services.

(3) In addition to the allocation under subsection (1), from the general fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$279,100.00 for 2008-2009~~ **\$251,190.00 FOR 2009-2010** for a competitive grant to continue a longitudinal evaluation of children who have participated in the great start readiness program.

(4) A district receiving a grant under this section may contract with for-profit or nonprofit preschool center providers that meet all provisions of the early childhood standards of quality for prekindergarten children adopted by the state board for the provision of the comprehensive compensatory program and retain for administrative services an amount equal to not more than 5% of the grant amount. A district may expend not more than 10% of the total grant amount for administration of the program.

(5) A district receiving funds under this section shall report to the department on the midyear report the number of children participating in the program who meet the income or other eligibility criteria specified under section 37(3)(g) and the total number of children participating in the program. For children participating in the program who meet the income or other eligibility criteria specified under section 37(3)(g), districts shall also report whether or not a parent is available to provide care based on employment status. For the purposes of this subsection, "employment status" shall be defined by the department of human services in a manner consistent with maximizing the amount of spending that may be claimed for temporary assistance for needy families maintenance of effort purposes.

Sec. 32j. (1) From the appropriations in section 11, there is allocated an amount not to exceed ~~\$5,000,000.00 for 2008-2009~~ **\$4,500,000.00 FOR 2009-2010** for great parents, great start grants to intermediate districts to provide programs for parents with young children. The purpose of these programs is to encourage early mathematics and reading literacy, improve school readiness, reduce the need for special education services, and foster the maintenance of stable families by encouraging positive parenting skills.

(2) To qualify for funding under this section, a program shall provide services to all families with children age 5 or younger residing within the intermediate district who choose to participate, including at least all of the following services:

(a) Providing parents with information on child development from birth to age 5.

(b) Providing parents with methods to enhance parent-child interaction that promote social and emotional development and age-appropriate language, mathematics, and early reading skills for young children; including, but not limited to, encouraging parents to read to their preschool children at least 1/2 hour per day.

(c) Providing parents with examples of learning opportunities to promote intellectual, physical, and social growth of young children, including the acquisition of age-appropriate language, mathematics, and early reading skills.

(d) Promoting access to needed community services through a community-school-home partnership.

(3) To receive a grant under this section, an intermediate district shall submit a plan to the department not later than October 15, ~~2008-2009~~ in the form and manner prescribed by the department. The plan shall do all of the following in a manner prescribed by the department:

(a) Provide a plan for the delivery of the program components described in subsection (2) that targets resources based on family need and provides for educators trained in child development to help parents understand their role in their child's developmental process, thereby promoting school readiness and mitigating the need for special education services.

(b) Demonstrate an adequate collaboration of local entities involved in providing programs and services for preschool children and their parents and, where there is a great start collaborative, demonstrate that the planned services are part of the community's great start strategic plan.

(c) Provide a projected budget for the program to be funded. The intermediate district shall provide at least a 20% local match from local public or private resources for the funds received under this section. Not more than 1/2 of this matching requirement, up to a total of 10% of the total project budget, may be satisfied through in-kind services provided by participating providers of programs or services. In addition, not more than 10% of the grant may be used for program administration.

(4) Each intermediate district receiving a grant under this section shall agree to include a data collection system approved by the department. The data collection system shall provide a report by October 15 of each year on the number of children in families with income below 200% of the federal poverty level that received services under this program and the total number of children who received services under this program.

(5) The department or superintendent, as applicable, shall do all of the following:

(a) The superintendent shall approve or disapprove the plans and notify the intermediate district of that decision not later than November 15, ~~2008-2009~~. The amount allocated to each intermediate district shall be at least an amount equal to ~~100%-90%~~ of the intermediate district's 2007-2008 payment under this section.

(b) The department shall ensure that all programs funded under this section utilize the most current validated research-based methods and curriculum for providing the program components described in subsection (2).

(c) The department shall submit a report to the state budget director and the senate and house fiscal agencies summarizing the data collection reports described in subsection (4) by December 1 of each year.

(6) An intermediate district receiving funds under this section shall use the funds only for the program funded under this section. An intermediate district receiving funds under this section may carry over any unexpended funds received under this section into the next fiscal year and may expend those unused funds in the next fiscal year. A recipient of a grant shall return any unexpended grant funds to the department in the manner prescribed by the department not later than September 30 of the next fiscal year after the fiscal year in which the funds are received.

Sec. 32l. (1) From the general fund money appropriated in section 11, there is allocated for ~~2008-2009-2009-2010~~ an amount not to exceed ~~\$15,150,000.00~~ **\$13,635,000.00** for competitive great start readiness program grants for the

purposes of preparing children for success in school, through comprehensive part-day or full-day programs that include language, early literacy, early mathematics, nutritional services, and health and developmental screening, as described in the early childhood standards of quality for prekindergarten for participating children; a plan for parent and legal guardian involvement; and provision of referral services for families eligible for community social services. These grants shall be made available through a competitive application process as follows:

(a) Any public or private nonprofit legal entity or agency may apply for a grant under this section. However, a district or intermediate district may not apply for a grant under this section unless the district or intermediate district is acting as a local grantee for the federal head start program operating under the head start act, 42 USC 9831 to 9852.

(b) An applicant shall submit an application in the form and manner prescribed by the department.

(c) The department shall establish a diverse interagency committee to review the applications. The committee shall be composed of representatives of the department, appropriate community, volunteer, and social service agencies and organizations, and parents.

(d) The superintendent shall award the grants and shall give priority for awarding the grants based upon the following criteria:

(i) Compliance with the state board-approved early childhood standards of quality for prekindergarten.

(ii) Active and continuous involvement of the parents or guardians of the children participating in the program.

(iii) Employment of teachers possessing proper training, including a valid Michigan teaching certificate with an early childhood (ZA) endorsement, a valid Michigan teaching certificate with a child development associate credential (CDA), or the equivalent from another state, or a bachelor's degree in child development with a specialization in preschool teaching. However, both of the following apply to this subparagraph:

(A) If an applicant demonstrates to the department that it is unable to fully comply with this subparagraph after making reasonable efforts to comply, the superintendent may still give priority to the applicant if the applicant will employ teachers who have significant but incomplete training in early childhood education or child development if the applicant provides to the department, and the department approves, a plan for each teacher to come into compliance with the standards in this subparagraph. A teacher's compliance plan must be completed within 4 years of the date of employment. Progress toward completion of the compliance plan shall consist of at least 2 courses per calendar year.

(B) For a subcontracted program, the department shall consider a teacher with 90 credit hours and at least 4 years' teaching experience in a qualified preschool program to meet the requirements under this subparagraph.

(iv) Employment of paraprofessionals possessing proper training in early childhood development, including an associate's degree in early childhood education or child development or the equivalent, or a child development associate (CDA) credential, or the equivalent, as approved by the state board. If an applicant demonstrates to the department that it is unable to fully comply with this subparagraph, after making reasonable efforts to comply, the superintendent of public instruction may still give priority to an applicant if the applicant will employ paraprofessionals who have completed at least 1 course in early childhood education or child development if the applicant provides to the department, and the department approves, a plan for each paraprofessional to come into compliance with the standards in this subparagraph. A paraprofessional's compliance plan must be completed within 2 years of the date of employment. Progress toward completion of the compliance plan shall consist of at least 2 courses or 60 clock hours of training per calendar year.

(v) Evidence of collaboration with the community of child development programs, including, but not limited to, great start readiness and head start providers, including documentation of the total number of children in the community who would meet the criteria established in subparagraph (vii), and who are being served by other providers, and the number of children who will remain unserved by other community early childhood programs if this program is funded.

(vi) The extent to which these funds will supplement other federal, state, local, or private funds.

(vii) The extent to which these funds will be targeted to children who will be at least 4, but less than 5, years of age as of December 1 of the year in which the programs are offered and who show evidence of 2 or more risk factors as defined in the state board report entitled "children at risk" that was adopted by the state board on April 5, 1988.

(viii) The program offers or contracts with another nonprofit early childhood program to provide supplementary day care and thereby offers full-day programs as part of its early childhood development program.

(ix) The application contains a plan approved by the department to conduct and report annual school readiness program evaluations and continuous improvement plans using criteria approved by the department. At a minimum, the evaluations shall include a self-assessment of program quality and assessment of the gains in educational readiness and progress of the children participating in the program.

(e) An application shall demonstrate that the program has established or has joined a multidistrict, multiagency school readiness advisory committee that is involved in the planning and evaluation of the program and that provides for the involvement of parents and appropriate community, volunteer, and social service agencies and organizations. The advisory committee shall include at least 1 parent or guardian of a program participant for every 18 children enrolled in the program, with a minimum of 2 parent or guardian representatives. The advisory committee shall do all of the following:

(i) Review the mechanisms and criteria used to determine referrals for participation in the great start readiness program.

(ii) Review the health screening program for all participants.

(iii) Review the nutritional services provided to all participants.

(iv) Review the mechanisms in place for the referral of families to community social service agencies, as appropriate.  
 (v) Review the collaboration with and the involvement of appropriate community, volunteer, and social service agencies and organizations in addressing all aspects of education disadvantage.

(vi) Review, evaluate, and make recommendations for changes in the school readiness program.

(vii) Review the agency’s participation in a collaborative recruitment and enrollment process with, at a minimum, all other funded preschool programs that may serve children in the same geographic area, including school district part-day programs described under section 32d and head start programs, to assure that each child is enrolled in the program most appropriate to his or her needs and to maximize the use of federal, state, and local funds. The collaborative recruitment and enrollment process should be established to reflect the geographic service areas of the collaborative partners. An effective process includes opportunities for families to meet with and learn about each program for which their child is eligible. A child who is income-eligible for head start must be referred to head start. If, after referral to head start, a family chooses to enroll a head-start-eligible child in the great start readiness program, a waiver indicating that the family has been informed of the child’s eligibility to attend head start must be completed by the family in a form and manner determined by the department and submitted to the great start readiness program before the child may be enrolled in the great start readiness program. The great start readiness program shall retain the waiver in the child’s enrollment file.

(2) To be eligible for a grant under this section, the agency must demonstrate participation in a collaborative recruitment and enrollment process with all other funded preschool programs serving children in the same geographic area to assure that each child is enrolled in the program most appropriate to his or her needs.

(3) To be eligible for a grant under this section, a program shall demonstrate that more than 50% of the children participating in the program live with families with a household income that is less than or equal to 300% of the federal poverty level.

(4) The superintendent may award grants under this section at whatever level the superintendent determines appropriate. However, the amount of a grant under this section, when combined with other sources of state revenue for this program, shall not exceed \$3,400.00 per participating child or the cost of the program, whichever is less.

(5) For a grant recipient that enrolls pupils in a full-day program funded under this section, each child enrolled in the full-day program shall be counted as 2 children served by the program for purposes of determining the number of children to be served and for determining the amount of the grant award. A grant award shall not be increased solely on the basis of providing a full-day program. As used in this subsection, “full-day program” means a program that operates for at least the same length of day as a district’s first grade program for a minimum of 4 days per week, 30 weeks per year. A classroom that offers a full-day program must enroll all children for the full day to be considered a full-day program.

(6) Except as otherwise provided in this subsection, an applicant that received a new grant under this section for 2007-2008 shall also receive priority for funding under this section for 2008-2009 and 2009-2010. However, after 3 fiscal years of continuous funding, an applicant is required to compete openly with new programs and other programs completing their third year. All grant awards under this section are contingent on the availability of funds and documented evidence of grantee compliance with early childhood standards of quality for prekindergarten, as approved by the state board, and with all operational, fiscal, administrative, and other program requirements.

(7) Notwithstanding section 17b, payments to eligible entities under this section shall be paid on a schedule and in a manner determined by the department.” and adjusting the general fund totals in section 11 and enacting section 1 accordingly.

2. Amend page 167, line 4, after “29,” by striking out “32c, 32d, 32j, 32l.”

3. Amend page 167, line 7, after “388.1629,” by striking out the balance of the line through “388.1632l,” on line 8.

The question being on the adoption of the amendments,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 328**

**Yeas—16**

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

**Nays—19**

Allen	Cropsey	Jelinek	Patterson
Birkholz	George	Kahn	Sanborn

Bishop  
Brown  
Cassis

Gilbert  
Hardiman  
Jansen

Kuipers  
McManus  
Pappageorge

Stamas  
Van Woerkom

**Excused—2**

Garcia

Prusi

**Not Voting—0**

In The Chair: Richardville

Senator Clark-Coleman offered the following amendments:

1. Amend page 113, following line 14, by inserting:

“Sec. 64. (1) From the appropriation in section 11, there is allocated an amount not to exceed ~~\$2,000,000.00 for 2008-2009~~ **\$1,800,000.00 FOR 2009-2010** for grants to intermediate districts or a district of the first class that are in consortium with a community college or state public university and a hospital to create and implement a middle college focused on the field of health sciences.

(2) Awards shall be made in a manner and form as determined by the department; however, at a minimum, eligible consortia funded under this section shall ensure the middle college provides all of the following:

(a) Outreach programs to provide information to middle school and high school students about career opportunities in the health sciences field.

(b) An individualized education plan for each pupil enrolled in the program.

(c) Curriculum that includes entry-level college courses.

(d) Clinical rotations that provide opportunities for pupils to observe careers in the health sciences.

(e) Instruction in mathematics, science, and language arts that is integrated, where appropriate, into the health sciences courses.

(3) For the purposes of this section, “middle college” means a series of courses and other requirements and conditions established by the consortium that allow a pupil to graduate with a high school diploma and a certificate or degree from a community college or state public university.

(4) Beginning in 2006-2007, a district or intermediate district may receive a grant under this section for up to 4 consecutive fiscal years. For the first 2 fiscal years of the grant period, the grant amount shall be 100% of the award determined by the department. For each of the remaining 2 fiscal years of the grant period, the grant amount shall be an amount equal to 50% of the recipient’s grant amount for the previous fiscal year.” and adjusting the general fund totals in section 11 and enacting section 1 accordingly.

2. Amend page 167, line 5, after “62,” by striking out “64.”

3. Amend page 167, line 10, by striking out “388.1664.”

The question being on the adoption of the amendments,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 329**

**Yeas—16**

Anderson  
Barcia  
Basham  
Brater

Cherry  
Clark-Coleman  
Clarke  
Gleason

Hunter  
Jacobs  
Olshove  
Richardville

Scott  
Switalski  
Thomas  
Whitmer

**Nays—19**

Allen  
Birkholz

Cropsey  
George

Jelinek  
Kahn

Patterson  
Sanborn

Bishop  
Brown  
Cassis

Gilbert  
Hardiman  
Jansen

Kuipers  
McManus  
Pappageorge

Stamas  
Van Woerkom

**Excused—2**

Garcia

Prusi

**Not Voting—0**

In The Chair: Richardville

Senator Clark-Coleman offered the following amendments:

1. Amend page 113, following line 14, by inserting:

“Sec. 65. (1) From the amount appropriated in section 11, there is allocated an amount not to exceed ~~\$980,100.00 for 2008-2009~~ **\$882,100.00 FOR 2009-2010** for grants to districts or intermediate districts, as determined by the department, for eligible precollege programs in engineering and the sciences.

(2) From the funds allocated under subsection (1), the department shall award ~~\$680,100.00 for 2008-2009~~ **\$612,100.00 FOR 2009-2010** to the 2 eligible existing programs that received funds appropriated for these purposes in the appropriations act containing the department of labor and economic growth budget for 2005-2006.

(3) From the funds allocated under subsection (1), the department shall award ~~\$75,000.00 for 2008-2009~~ **\$67,500.00 FOR 2009-2010** to the Kalamazoo regional education service agency to support an area program substantially similar to the 2 eligible existing programs receiving funds under subsection (2).

(4) From the funds allocated under subsection (1), the department shall award ~~\$225,000.00 for 2008-2009~~ **\$202,500.00 FOR 2009-2010** to eligible intermediate districts for programs to train pupils in alternative energy. The department shall award ~~\$75,000.00~~ **\$67,500.00** to each eligible intermediate district. The intermediate district shall use the funds for engineering and sciences programs with industry level partnerships that are in proximity to renewable energy facilities. To be eligible for funds under this subsection, an intermediate district must meet all of the following requirements:

(a) The combined total 2007-2008 pupil membership for all of its constituent districts was less than 20,000 pupils.

(b) Levied at least .11 but not more than .19 operating mills in 2007-2008.

(c) Had a 2007 taxable value greater than \$1,500,000,000.00.

(d) At least 28% of the combined total number of pupils in membership for all of its constituent districts were eligible for free or reduced-price lunch for 2007-2008.

(e) Is contiguous to at least 1 other intermediate district that meets the requirements of subdivisions (a) to (d).

(5) The department shall submit a report to the appropriations subcommittees responsible for this act, to the state budget director, and to the house and senate fiscal agencies by February 1, ~~2009~~ **2010** regarding dropout rates, grade point averages, enrollment in science, engineering, and math-based curricula, and employment in science, engineering, and mathematics-based fields for pupils who were enrolled in the programs awarded funds under this section or under preceding legislation. The report shall continue to evaluate the effectiveness of the precollege programs in engineering and sciences funded under this section.

(6) Notwithstanding section 17b, payments under this section shall be paid on a schedule and in a manner determined by the department.” and adjusting the general fund totals in section 11 and enacting section 1 accordingly.

2. Amend page 167, line 5, after “64,” by striking out “65.”

3. Amend page 167, line 10, after “388.1664,” by striking out “388.1665.”

The question being on the adoption of the amendments,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 330**

**Yeas—15**

Anderson  
Barcia

Cherry  
Clark-Coleman

Hunter  
Jacobs

Switalski  
Thomas

Basham  
Brater

Clarke  
Gleason

Olshove  
Scott

Whitmer

**Nays—20**

Allen  
Birkholz  
Bishop  
Brown  
Cassis

Cropsey  
George  
Gilbert  
Hardiman  
Jansen

Jelinek  
Kahn  
Kuipers  
McManus  
Pappageorge

Patterson  
Richardville  
Sanborn  
Stamas  
Van Woerkom

**Excused—2**

Garcia

Prusi

**Not Voting—0**

In The Chair: Richardville

Senator Clark-Coleman offered the following amendments:

1. Amend page 31, following line 7, by inserting:

“Sec. 11n. (1) From the appropriation in section 11, there is allocated ~~\$15,000,000.00~~ **\$8,000,000.00** for 2008-2009 **AND \$7,200,000.00 FOR 2009-2010** for the purposes of this section. Money allocated under this section shall be deposited in the 21st century schools fund on November 15 of the fiscal year for which it is allocated or on the next business day following that date.

(2) The 21st century schools fund is created as a separate account within the state school aid fund. The state treasurer may receive money or other assets from any source for deposit into the 21st century schools fund. The state treasurer shall direct the investment of the 21st century schools fund. The state treasurer shall credit to the 21st century schools fund interest and earnings from 21st century schools fund investments. Money in the 21st century schools fund at the close of the fiscal year shall remain in the 21st century schools fund and shall not lapse to the state school aid fund or to the general fund. The department of treasury shall be the administrator of the 21st century schools fund for auditing purposes. Money from the 21st century schools fund shall be expended, upon appropriation, only for purposes of this section.

(3) ~~For 2008-2009, an AN~~ amount not to exceed ~~\$15,000,000.00~~ **\$8,000,000.00 FOR 2008-2009, AND AN AMOUNT NOT TO EXCEED \$7,200,000.00 FOR 2009-2010**, is allocated from the 21st century schools fund for 21st century schools grants under this section of up to \$3,000,000.00 for each school project to eligible districts that meet the requirements of this section. The funds may be used for planning and start-up costs of newly constructed or newly configured schools or learning communities and renovations of existing facilities as well as other expenditures outlined in the applicants’ proposals relating to planning and start-up costs and approved by the department. Notwithstanding section 17b, the total grant amount for 2008-2009 **OR 2009-2010** to each eligible district or public school academy shall be distributed over a 4-year period on a schedule to be determined by the department.

(4) To apply for a 21st century schools grant, an eligible district shall submit an application to the department, in a form and manner prescribed by the department, that meets the application criteria under this section. An application shall demonstrate to the satisfaction of the department that the school or learning community of an eligible district to be funded meets all of the following:

(a) Will be designed to achieve the following outcomes not later than the school year in which the third high school graduating class graduates from the school or learning community:

(i) An 80% graduation rate, as determined by the department.

(ii) At least 80% of the high school graduates from the school or learning community are enrolled in postsecondary studies within 6 months after high school graduation. For purposes of this subparagraph, “postsecondary studies” includes 4-year colleges and universities, community colleges, technical schools, apprenticeships, and military enlistment.



(b) Will provide an open enrollment such that if there are more applications to enroll than there are spaces available, pupils shall be selected to attend using a random selection process. However, a school or learning community may give enrollment priority to a sibling of a pupil enrolled in the school or learning community, and a school or learning community shall allow any pupil who was enrolled in the school or learning community in the immediately preceding school year to enroll in the school or learning community in the next appropriate grade until the pupil graduates from the school or learning community.

(c) Will have a maximum of 110 pupils in each high school grade level and an average of at least 75 pupils in each high school grade level.

(d) Will incorporate a relationship-building goal between the teaching staff, administration, pupils, and parents.

(e) Has a commitment of private matching funds at least equal to the amount of the grant under this section.

(5) If the department determines that a grant recipient has failed to achieve the outcomes described in subsection (4)(a), the grant recipient shall return to the state 50% of the total grant awarded. To accomplish the return of these funds, the department shall deduct an amount equal to 50% of the total grant awarded from the grant recipient’s state school aid installment payments, on a schedule determined by the department. Funds returned under this subsection shall be deposited in the 21st century schools fund.

(6) In awarding grants under this section, the department shall give preference to grant applications for starting a new school or learning community that will implement strategies to prepare middle school students likely to attend the school or learning community or that will include grades 6 to 12 rather than proposals for stand-alone schools including only grades 9 to 12 and not implementing strategies to prepare middle school students.

(7) The department shall not award more than 1/3 of the grants under this section to public school academies.

(8) The department shall establish and publicize the application process and a schedule for the application process.

(9) As used in this section, “eligible district” means all of the following:

(a) A district with a districtwide cohort graduation rate for high school pupils below 70%, as determined by the center for educational performance and information, for its most recent graduating class for which data are available.

(b) A public school academy if a majority of the pupils enrolled in the public school academy reside in a district that meets the criteria under subdivision (a).” and adjusting the general fund totals in section 11 and enacting section 1 accordingly.

2. Amend page 167, line 4, after “Sections” by striking out “11n,”.

3. Amend page 167, line 7, after “MCL” by striking out “388.1611n,”.

The question being on the adoption of the amendments,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 331**

**Yeas—14**

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

**Nays—20**

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

**Excused—2**

Garcia	Prusi
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**Not Voting—1**

Anderson

In The Chair: Richardville

Senator Cropsey moved to reconsider the vote by which the amendments were not adopted.

The motion prevailed.

The question being on the adoption of the amendments,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 332****Yeas—14**

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

**Nays—21**

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

**Excused—2**

Garcia	Prusi
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**Not Voting—0**

In The Chair: Richardville

Senator Clark-Coleman offered the following amendments:

1. Amend page 75, line 26, after “exceed” by striking out “\$309,732,000.00” and inserting “\$315,019,500.00” and adjusting the general fund totals in section 11 and enacting section 1 accordingly.

2. Amend page 85, following line 8, by inserting:

“(15) ~~(16)~~ A district or public school academy that does not meet the eligibility requirement under subsection (2)(a) is eligible for funding under this section if at least 1/4 of the pupils in membership in the district or public school academy met the income eligibility criteria for free breakfast, lunch, or milk in the immediately preceding state fiscal year, as determined and reported as described in subsection (1), and at least 4,500 of the pupils in membership in the district or public school academy met the income eligibility criteria for free breakfast, lunch, or milk in the immediately preceding state fiscal year, as determined and reported as described in subsection (1). A district or public school academy that is

eligible for funding under this section because the district meets the requirements of this subsection shall receive under this section for each membership pupil in the district or public school academy who met the income eligibility criteria for free breakfast, lunch, or milk in the immediately preceding fiscal year, as determined and reported as described in subsection (1), **90% OF** an amount per pupil equal to 11.5% of the sum of the district's foundation allowance or public school academy's per pupil allocation under section 20, plus the amount of the district's per pupil allocation under section 20j(2), not to exceed the basic foundation allowance under section 20 for the current state fiscal year." and renumbering the remaining subsection.

The question being on the adoption of the amendments,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 333**

**Yeas—14**

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

**Nays—20**

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

**Excused—2**

Garcia	Prusi
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**Not Voting—1**

Whitmer

In The Chair: Richardville

Senator Prusi offered the following amendments:

1. Amend page 70, following line 5, by inserting:

"Sec. 22d. (1) From the appropriation in section 11, an amount not to exceed ~~\$2,025,000.00~~ **\$1,822,500.00** is allocated for ~~2008-2009-2009-2010~~ for additional payments to small, geographically isolated districts under this section.

(2) From the allocation under subsection (1), there is allocated for ~~2008-2009-2009-2010~~ an amount not to exceed ~~\$750,000.00~~ **\$675,000.00** for payments under this subsection to districts that meet all of the following:

(a) Operates grades K to 12.

(b) Has fewer than 250 pupils in membership.

(c) Each school building operated by the district meets at least 1 of the following:

(i) Is located in the Upper Peninsula at least 30 miles from any other public school building.

(ii) Is located on an island that is not accessible by bridge.

(3) The amount of the additional funding to each eligible district under subsection (2) shall be determined under a spending plan developed as provided in this subsection and approved by the superintendent of public instruction. The spending plan shall be developed cooperatively by the intermediate superintendents of each intermediate district in which an eligible district is located. The intermediate superintendents shall review the financial situation of each eligible district, determine the minimum essential financial needs of each eligible district, and develop and agree on a spending plan that distributes the available funding under subsection (2) to the eligible districts based on those financial needs. The intermediate superintendents shall submit the spending plan to the superintendent of public instruction for approval. Upon approval by the superintendent of public instruction, the amounts specified for each eligible district under the spending plan are allocated under subsection (2) and shall be paid to the eligible districts in the same manner as payments under section 22b.

(4) Subject to subsection (6), from the allocation in subsection (1), there is allocated for ~~2008-2009~~**2009-2010** an amount not to exceed ~~\$1,275,000.00~~**\$1,147,500.00** for payments under this subsection to districts that meet all of the following:

- (a) The district has 5.0 or fewer pupils per square mile as determined by the department.
  - (b) The district has a total square mileage greater than 200.0 or is 1 of 2 districts that have consolidated transportation services and have a combined total square mileage greater than 200.0.
  - (5) The funds allocated under subsection (4) shall be allocated on an equal per pupil basis.
  - (6) A district receiving funds allocated under subsection (2) is not eligible for funding allocated under subsection (4)."
- and adjusting the general fund totals in section 11 and enacting section 1 accordingly.

2. Amend page 167, line 4, after "11n," by striking out "22d,".

3. Amend page 167, line 7, after "MCL 388.1611n," by striking out "388.1622d,".

The amendments were not adopted, a majority of the members serving not voting therefor.

Senator Prusi offered the following amendments:

1. Amend page 70, following line 5, by inserting:

"Sec. 22d. (1) From the appropriation in section 11, an amount not to exceed ~~\$2,025,000.00~~**\$200.00** is allocated for ~~2008-2009~~**2009-2010** for additional payments to small, geographically isolated districts under this section.

(2) From the allocation under subsection (1), there is allocated for ~~2008-2009~~**2009-2010** an amount not to exceed ~~\$750,000.00~~**\$100.00** for payments under this subsection to districts that meet all of the following:

- (a) Operates grades K to 12.
- (b) Has fewer than 250 pupils in membership.
- (c) Each school building operated by the district meets at least 1 of the following:
  - (i) Is located in the Upper Peninsula at least 30 miles from any other public school building.
  - (ii) Is located on an island that is not accessible by bridge.

(3) The amount of the additional funding to each eligible district under subsection (2) shall be determined under a spending plan developed as provided in this subsection and approved by the superintendent of public instruction. The spending plan shall be developed cooperatively by the intermediate superintendents of each intermediate district in which an eligible district is located. The intermediate superintendents shall review the financial situation of each eligible district, determine the minimum essential financial needs of each eligible district, and develop and agree on a spending plan that distributes the available funding under subsection (2) to the eligible districts based on those financial needs. The intermediate superintendents shall submit the spending plan to the superintendent of public instruction for approval. Upon approval by the superintendent of public instruction, the amounts specified for each eligible district under the spending plan are allocated under subsection (2) and shall be paid to the eligible districts in the same manner as payments under section 22b.

(4) Subject to subsection (6), from the allocation in subsection (1), there is allocated for ~~2008-2009~~**2009-2010** an amount not to exceed ~~\$1,275,000.00~~**\$100.00** for payments under this subsection to districts that meet all of the following:

- (a) The district has 5.0 or fewer pupils per square mile as determined by the department.
  - (b) The district has a total square mileage greater than 200.0 or is 1 of 2 districts that have consolidated transportation services and have a combined total square mileage greater than 200.0.
  - (5) The funds allocated under subsection (4) shall be allocated on an equal per pupil basis.
  - (6) A district receiving funds allocated under subsection (2) is not eligible for funding allocated under subsection (4)."
- and adjusting the general fund totals in section 11 and enacting section 1 accordingly.

2. Amend page 167, line 4, after "11n," by striking out "22d,".

3. Amend page 167, line 7, after "MCL 388.1611n," by striking out "388.1622d,".

The amendments were not adopted, a majority of the members serving not voting therefor.

Senator Gleason offered the following amendments:

1. Amend page 111, following line 27, by inserting:

"Sec. 56. (1) For the purposes of this section:

- (a) "Membership" means for a particular fiscal year the total membership for the immediately preceding fiscal year of the intermediate district and the districts constituent to the intermediate district.

(b) "Millage levied" means the millage levied for special education pursuant to part 30 of the revised school code, MCL 380.1711 to 380.1743, including a levy for debt service obligations.

(c) "Taxable value" means the total taxable value of the districts constituent to an intermediate district, except that if a district has elected not to come under part 30 of the revised school code, MCL 380.1711 to 380.1743, membership and taxable value of the district shall not be included in the membership and taxable value of the intermediate district.

(2) From the allocation under section 51a(1), there is allocated an amount not to exceed ~~\$36,881,100.00 for 2008-2009~~ **\$33,192,990.00 FOR 2009-2010** to reimburse intermediate districts levying millages for special education pursuant to part 30 of the revised school code, MCL 380.1711 to 380.1743. The purpose, use, and expenditure of the reimbursement shall be limited as if the funds were generated by these millages and governed by the intermediate district plan adopted pursuant to article 3 of the revised school code, MCL 380.1701 to 380.1766. As a condition of receiving funds under this section, an intermediate district distributing any portion of special education millage funds to its constituent districts shall submit for departmental approval and implement a distribution plan.

(3) Reimbursement for those millages levied in ~~2007-2008-2008-2009~~ shall be made in ~~2008-2009-2009-2010~~ at an amount per ~~2007-2008-2008-2009~~ membership pupil computed by subtracting from ~~\$172,800.00~~ **\$161,730.00** the ~~2007-2008-2008-2009~~ taxable value behind each membership pupil and multiplying the resulting difference by the ~~2007-2008-2008-2009~~ millage levied."

2. Amend page 113, following line 14, by inserting:

"Sec. 62. (1) For the purposes of this section:

(a) "Membership" means for a particular fiscal year the total membership for the immediately preceding fiscal year of the intermediate district and the districts constituent to the intermediate district or the total membership for the immediately preceding fiscal year of the area vocational-technical program.

(b) "Millage levied" means the millage levied for area vocational-technical education pursuant to sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, including a levy for debt service obligations incurred as the result of borrowing for capital outlay projects and in meeting capital projects fund requirements of area vocational-technical education.

(c) "Taxable value" means the total taxable value of the districts constituent to an intermediate district or area vocational-technical education program, except that if a district has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, the membership and taxable value of that district shall not be included in the membership and taxable value of the intermediate district. However, the membership and taxable value of a district that has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, shall be included in the membership and taxable value of the intermediate district if the district meets both of the following:

(i) The district operates the area vocational-technical education program pursuant to a contract with the intermediate district.

(ii) The district contributes an annual amount to the operation of the program that is commensurate with the revenue that would have been raised for operation of the program if millage were levied in the district for the program under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690.

(2) From the appropriation in section 11, there is allocated an amount not to exceed ~~\$9,000,000.00 for 2008-2009~~ **\$8,100,000.00 FOR 2009-2010** to reimburse intermediate districts and area vocational-technical education programs established under section 690(3) of the revised school code, MCL 380.690, levying millages for area vocational-technical education pursuant to sections 681 to 690 of the revised school code, MCL 380.681 to 380.690. The purpose, use, and expenditure of the reimbursement shall be limited as if the funds were generated by those millages.

(3) Reimbursement for the millages levied in ~~2007-2008-2008-2009~~ shall be made in ~~2008-2009-2009-2010~~ at an amount per ~~2007-2008-2008-2009~~ membership pupil computed by subtracting from ~~\$181,900.00~~ **\$170,640.00** the ~~2007-2008-2008-2009~~ taxable value behind each membership pupil and multiplying the resulting difference by the ~~2008-2009-2009-2010~~ millage levied." and adjusting the general fund totals in section 11 and enacting section 1 accordingly.

3. Amend page 167, line 5, after "54c," by striking out "56, 57, 62," and inserting "57,".

4. Amend page 167, line 9, after "388.1654c," by striking out "388.1656, 388.1657, 388.1662," and inserting "388.1657,".

The question being on the adoption of the amendments,

Senator Gleason requested the yeas and nays.

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

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

## Roll Call No. 334

## Yeas—16

Anderson  
Barcia

Cherry  
Clark-Coleman

Hunter  
Jacobs

Switalski  
Thomas

Basham  
Brater

Clarke  
Gleason

Olshove  
Scott

Van Woerkom  
Whitmer

**Nays—18**

Allen  
Birkholz  
Bishop  
Brown  
Cassis

George  
Gilbert  
Hardiman  
Jansen  
Jelinek

Kahn  
Kuipers  
McManus  
Pappageorge

Patterson  
Richardville  
Sanborn  
Stamas

**Excused—2**

Garcia

Prusi

**Not Voting—1**

Cropsey

In The Chair: Richardville

Senator Cropsey moved to reconsider the vote by which the second set of amendments offered by Senator Prusi were not adopted.

The motion prevailed.

The question being on the adoption of the amendments,

The amendments were adopted, a majority of the members serving voting therefor.

Senator Whitmer offered the following amendment:

1. Amend page 167, following line 19, by inserting:

“Enacting section 4. This amendatory act does not take effect unless House Bill No. 4313 of the 95th Legislature is enacted into law.”.

The question being on the adoption of the amendment,

Senator Thomas requested the yeas and nays.

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

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

**Roll Call No. 335**

**Yeas—15**

Anderson  
Barcia  
Basham  
Brater

Cherry  
Clark-Coleman  
Clarke  
Gleason

Hunter  
Jacobs  
Olshove  
Scott

Switalski  
Thomas  
Whitmer

**Nays—20**

Allen  
Birkholz  
Bishop  
Brown  
Cassis

Cropsey  
George  
Gilbert  
Hardiman  
Jansen

Jelinek  
Kahn  
Kuipers  
McManus  
Pappageorge

Patterson  
Richardville  
Sanborn  
Stamas  
Van Woerkom

**Excused—2**

Garcia Prusi

**Not Voting—0**

In The Chair: Richardville

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

**Roll Call No. 336****Yeas—19**

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

**Nays—16**

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

**Excused—2**

Garcia Prusi

**Not Voting—0**

In The Chair: Richardville

The question being on concurring in the committee recommendation to give the bill immediate effect,  
The recommendation was not concurred in, 2/3 of the members serving not voting therefor.

Senator Stamas offered to amend the title to read as follows:

A bill to amend 1979 PA 94, entitled "An act to make appropriations to aid in the support of the public schools and the intermediate school districts of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to supplement the school aid fund by the levy and collection of certain taxes; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts," by amending sections 3, 6, 11, 11a, 11g, 11j, 11k, 11m, 15, 18, 20, 20d, 20j, 22a, 22b, 22d, 22e, 24, 24a, 24c, 26a, 26b, 31a, 31d, 31f, 32b, 32d, 32j, 39a, 51a, 51c, 51d, 53a, 54, 61a, 64, 74, 81, 94a, 98, 99, 99i, 101, 104, 104b, 107, 147, and 164c (MCL 388.1603, 388.1606, 388.1611, 388.1611a, 388.1611g, 388.1611j, 388.1611k, 388.1611m, 388.1615, 388.1618, 388.1620, 388.1620d, 388.1620j, 388.1622a, 388.1622b, 388.1622d, 388.1622e, 388.1624, 388.1624a, 388.1624c, 388.1626a, 388.1626b, 388.1631a, 388.1631d, 388.1631f, 388.1632b, 388.1632d, 388.1632j, 388.1639a, 388.1651a, 388.1651c, 388.1651d, 388.1653a, 388.1654, 388.1661a, 388.1664, 388.1674, 388.1681, 388.1694a, 388.1698, 388.1699,

388.1699i, 388.1701, 388.1704, 388.1704b, 388.1707, 388.1747, and 388.1764c), sections 3, 6, 11, 11a, 11g, 11j, 11k, 11m, 15, 18, 20d, 22a, 22b, 22d, 24, 24a, 24c, 26a, 26b, 31a, 31d, 31f, 32d, 32j, 39a, 51a, 51c, 51d, 53a, 54, 61a, 64, 74, 81, 94a, 98, 99, 99i, 104, 104b, 107, 147, and 164c as amended and section 22e as added by 2008 PA 268, sections 20, 20j, and 32b as amended by 2008 PA 561, and section 101 as amended by 2006 PA 342; and to repeal acts and parts of acts.

The amendment to the title was adopted.

The Senate agreed to the title as amended.

### Protests

Senators Clark-Coleman, Cherry and Gleason, under their constitutional right of protest (Art. 4, Sec. 18), protested against the passage of House Bill No. 4447 and moved that the statements they made during the discussion of the bill be printed as their reasons for voting “no.”

The motion prevailed.

Senator Clark-Coleman’s statement is as follows:

I will be voting “no” on this budget because I believe the cuts in this budget will be devastating to public education in Michigan; more importantly, devastating to our children. I know that the budget before us, like all of the budgets before us today, were developed to comply with targets that were set by the majority caucus and their leadership, not targets that had been agreed upon by the Senate, House, and administration.

I understand that this is one step in the process. If this budget is an expression of our priorities and our strategy for moving Michigan forward, I believe that it falls far short. I offered amendments to restore what I believe are vital investments in our future. If we can agree that these things are important, we can agree to close the loopholes and end or reduce some special interest tax treatments to do the right thing for all of our children.

Senator Cherry’s statement is as follows:

We have already cut millions of dollars from early childhood programs in the Department of Human Services budget. Now we have gutted these programs again, but this time in the K-12 budget. Eighty-five percent of a child’s brain is formed by the age of three. That is before the child even enters the public school system. Sixty percent of children entering kindergarten in Michigan lack the appropriate social and emotional skills to succeed, putting a burden not only on the teachers working with them, but on the other children in classroom who show up prepared to learn. Investment in early childhood programs helps our children emotionally and socially and prepares them for future academic success.

In addition to hurting the children, these cuts will hurt Michigan’s economy. The benefits of early childhood programs greatly outweigh the costs, with a range of \$2 to \$7 in economic benefits for every \$1 invested. Like I have said over and over the past few days, we can’t balance the budget on the backs of our children. We can’t afford to take opportunities away from the next generation of students who are the foundation we must build on for the future success of our state.

Senator Gleason’s statement is as follows:

Special education and vocational ed—one seems to have a bright and promising future, and the other seems to have a continuation of struggles, both for individuals and families. I’ve been down here six and a half years. I don’t know if we’ve had a more discompassionate cut than cutting special education. There is little chance and an equal amount of hope when we cut special education in this state. We should be standing up for the most fragile, but we cut them just like we cut everything else that we feel like cutting, but these are real people with real concerns. These families probably have the most difficult obligations of any family in Michigan, and yet, we cut the services provided to them. There’s an old saying: You can tell the strength of person by who their enemies are. Today, we’ve made special education children and their families trying to support them our enemies by not providing the appropriate funding for special ed programs.

I’ll talk again about our chance of funding this program. For too long, we’ve given tax credits to special interest groups at the cost of individuals, just like special education but not nearly as important or needed as special education. How can we turn our backs on these people not only as Senators, but many of us in this room as parents, understanding full well the day-to-day tasks of taking care of children who are holistic both physically and mentally? Yet, we just discard this constituency altogether.

I would like to publicly thank the Senator from the 34th District, who spent a great deal of his working life in academia, and he understands, as some do in this chamber, that we cannot leave these special education students behind. We’ve seen in the past when we’ve given chances to those who are different great hope and a furthering of vitality. Would we dare cut the efforts? I don’t know if there’s a person in this chamber who would not say that Special Olympics is a worthwhile effort in our state. And yet, we’ll say we will give full attention to recreational opportunities by adding our voices and other contributions to Special Olympics but won’t help these same individuals with an opportunity for academic achievement. You really can’t separate the Special Olympics from special education. More than not, you’re talking about the same person. If we would turn our backs on those young boys and girls getting off those buses at different destinations around this state who are engaged in Special Olympics, you’re different than I am. I think we ought to fund this. We say that we can’t afford it. I say that we can’t afford the special treatment they’re giving people who have tax credits. Let’s revert



some of the tax credits into special education funding. That's the responsible thing to do, and I think that's the most humane thing to do. I ask that my remarks be added as my "no" vote explanation, and I hope that we reconsider this, folks, about the young folks whom we're really talking about here today.

Senators Jelinek, Clark-Coleman, Scott, Hardiman, Whitmer and Cropsey asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Jelinek's first statement is as follows:

The subject of this amendment, as well as many of the other subsequent amendments to come, have been covered by placeholders in this budget. This amendment without a revenue source is a budget breaker. If we adopt this and the following amendments, we will be breaking the bank. We won't be able to balance our budget as required by the Michigan Constitution. Placeholders will allow discussions to continue without this and further amendments.

I urge the defeat of this and all subsequent amendments.

Senator Clark-Coleman's first statement is as follows:

This budget includes a \$110 per pupil reduction in the foundation allowance. My amendment would maintain the foundation payments at the current year level. We owe it to our children. We all recognize that some reductions would be made to this budget, and those reductions will affect our schools. We should keep this primary source of funding intact and give our schools some predictability.

Costs continue to increase, and the net result is that these dollars probably won't go as far as they did last year. Districts simply cannot absorb the drastic reductions that this budget proposes. All of our children will suffer.

Senator Clark-Coleman's second statement is as follows:

We'll try this one. Since we have decided to cut the \$110 to schools to allow them to operate, we will now move to declining enrollment. We know that many of our districts are suffering with declining enrollment, and this certainly affects their budget. It affects the schools' ability to do business. This budget eliminates funding for that declining enrollment assistance.

With funding for schools based on student population, the loss of students represents a significant loss of funding. This amendment provides some assistance to those districts that are experiencing the loss of students by using a three-year averaging of membership to make their foundation payments, and funds this at 90 percent of the current year level.

Senator Clark-Coleman's third statement is as follows:

We all know how important early childhood development is. We know that the greatest learning begins at 0 to 5 years of age. We also know that if we provide our students with this early childhood education that they will do much better; that they will get off on a good foot. In many instances, they won't drop out, and they won't drop through the cracks. If we eliminate this, many of our children will just simply drop out and not make it.

This budget proposes complete elimination of much of the early childhood funding. Our children cannot survive without this early childhood funding. We all know that pre-school education is critical to the success of some of our most at-risk children. While the budget proposes reduction in many lines, the complete elimination school readiness funds is absolutely unacceptable. My amendment restores funding in those lines to 90 percent of the current year.

Senator Clark-Coleman's fourth statement is as follows:

We all know what the health science middle colleges have accomplished since they started. This is a program where children can start in the 9th grade and go all the way through and get an associate's degree. They don't have to get a high school diploma. They can begin in the 9th grade and go all the way through.

These programs have been very successful, very successful. We've got high schools that are partnering with community colleges, and these are some of the schools that have been recognized nationally by the Gates Foundation and encouraged. If we really want our children to go through school and get that associate's degree in partnership with many of our businesses, we really ought to give this some thought.

Now you know that the early middle college high schools are generally five-year high schools—five years—from 9th grade on, not four more years to get your high school diploma, but in five years they can get an associate's degree. These schools are located on state public universities or community college campuses where students may attend as early as the 9th grade. These schools provide students with both a high school diploma and an associate's degree or up to six college credits which are transferable to most state colleges and universities. You can't ask for anything better than that.

These programs also enable students to graduate with employable skills that make them immediately qualified to go into health care fields that are in great need of workers. Instead of us going over to Canada and going outside the country to bring back health care workers, we could train those right here. I know that when I talk to the hospitals in my district, the one thing they keep begging for is trained health care professionals—nurses and all other types of employees—so that they won't have to go outside the country to fill these jobs.

Michigan is certainly a state that is hemorrhaging jobs, but in the health care field, there are lots of jobs. We just don't have the people trained for them. Now here is a program that, beginning in the 9th grade, students can get into this middle college program and in five years get an associate's degree. Many of them can get a nursing degree, at least the LPN. They can get that degree and go right into a job. So many of our hospitals are working with these students. They have them doing job shadowing, actually working like they're in the hospitals. The doctors are very enthusiastic about this program.

My amendment would fund this program at 90 percent of its current year level. I ask that we really think hard, dig deep, and think hard about what we are doing to this magnificent program. I ask that you vote "yes" on funding this at 90 percent of the current level.

Senator Clark-Coleman's fifth statement is as follows:

I'm sure most of you have sat in on presentations from this wonderful engineering program called DAPSAT. They also have one in Grand Rapids called GrandSAT. This is a magnificent program. This allows our children to meet those stringent curriculum requirements in math and science. This program is proven. It has been around for years but is a proven success. They have been up and they have made impressive presentations to us about how they have taken students and developed their interest into engineering. They are not asking for a whole lot of money. They are just asking for a very small amount of money to continue this wonderful program.

This amendment restores 90 percent funding for this pre-college engineering program. If we are going to be competitive with other countries, and certainly, if we are going to meet those stringent curriculum requirements we passed a year or so ago, then this is just the kind of program that we need. This program is intended to meet the need for well-trained engineers and scientists in Michigan and to increase the number of historically underrepresented populations in these career fields.

This is a no-brainer. This is a program that works and helps train young people for good, high-paying jobs. I urge your support for this amendment.

Senator Scott's statement is as follows:

I rise to support this amendment. If there was ever a program that has really, really shown promise for our young people, it is this DAPSAT program. I attended a reception that had a daylong reception for parents and that started at 9 o'clock. Parents were there at 7 o'clock, and Cobo Hall was just filled because it had done so much for these young people. It has been around some time, so there has been a number of graduates. In fact, there are some DAPSAT graduates who are now part of the Big Three and serve on the boards now. Because it gave so much to them, they give back to these young people.

If we're ever to move our young people ahead, then we certainly do need to give them the opportunity to continue this program. As the Senator from District No. 3 has indicated, it is not that much money, but yet, it does so much good. As you know, our engineers and a lot of our doctors come from other countries because they understand how important engineering, math, and science are. They go into engineering, doctors, and that. We need to be doing the same for our young people here so that they will be able to compete. Everything is international now, and it is not that costly.

I would hope that we would certainly support this amendment.

Senator Hardiman's statement is as follows:

Mr. President, I rise to speak on this amendment. I certainly appreciate what the two previous speakers have said about the GrandSAT and DAPSAT programs. They are magnificent programs that have provided wonderful opportunities for those who might not have those opportunities as readily if the programs were not existing, and it's well worth supporting.

But we are also facing an extremely, extremely difficult financial time. Revenues have continued to fall well below even our reduced projections. So I understand that we have to balance the budget. Now there is a point of difference, I think, between the Senate and House budgets, and I encourage folks to continue to work to find a solution, especially in this particular program. But I will follow the chair on this and oppose this amendment, regrettably, or reluctantly, I should say.

Senator Clark-Coleman's sixth statement is as follows:

Now for those who have not voted in support of any of the other amendments, I'm going to give you another chance. This amendment deals with the small high schools. This amendment would restore some of the 21st Century Schools Fund for startup and facility grants for creating our smaller high schools.

As you know, districts are eligible for this program if they have high schools that are not yet meeting AYP—adequate yearly progress. I've had the opportunity to make several site visits to small high schools across the country through my involvement with the Bill and Melinda Gates Foundation. These programs are demonstrating great success and have the potential to transform high school education and prepare schools for the new economy.

Schools not making adequate yearly progress must do things differently in order to increase achievement among our students. Now these small high schools are working. There are many schools that may have applications and have been approved for grants for these schools. So after all of that work they have put into not only transforming the school, but they are transforming their image and how they feel about their schools.

So we now have a chance to allow these small high schools to continue. We talked about making promises. Well, this is another promise that was made. You promised them that if they met these requirements that you would give them these grants for these schools.

This is a program which works. I urge your support to restore some of the 21st Century Schools Fund for startups and for those facility grants.

Senator Jelinek's second statement is as follows:

The amendment addressed the 21st Century Schools Fund, which is actually less than a year old. At this point, we really can't afford new programs when we are trying to justify tested, true, existing programs. We have no proof that the first monies spent on this this year has done anything beneficial. At this point, there is no point in continuing an unproven new program when we've got other programs suffering.

So at this point, this would not be a good way to invest another \$7.2 million. I would urge that we defeat this amendment.

Senator Clark-Coleman's seventh statement is as follows:

This is my last amendment. This has to do with Dearborn at-risk funding. I am sure everybody knows that Dearborn is in my district. This amendment restores 90 percent of the funding for at-risk payments for the children of the Dearborn Public Schools. This funding helps those students who are at risk of not being successful in school and is used for programs or staff that provide instruction beyond what is provided in the classroom.

We all know that Dearborn has a significant population of immigrants from the Middle East. These students are in particular need of specialized instructional services. For the sake of diversity, supporting immigrants in this country, I urge you to vote "yes" on this amendment.

Senator Whitmer's statement is as follows:

This amendment tie-bars this bill to House Bill No. 4313, which is a replica of the sinking fund bill I have introduced each of my legislative terms. This is an issue which 32 of us have expressly supported at one juncture or another in our respective careers. In fact, my friends in the majority have even co-sponsored this same legislation. Which ones of us, you're probably asking. Well, my colleagues from Three Oaks, Saugatuck, Rochester, Fawn River Township, Kalamazoo, Algonac, Troy, Canton, Monroe, Midland, and Muskegon. And four others even voted for this bill in 2001. Traverse City, Novi, Gaines Township, and Holland all had Senators wise enough to support this legislation in 2001. I point this out not to embarrass anyone, but to encourage your support once again; to remind you, to refresh your recollection, to encourage you, and to prevail on your sense of fairness.

Now why did the vast majority of the majority in this chamber support this effort before? Well, I suspect it is because you saw the wisdom in giving schools the flexibility of using their sinking funds for the purposes of including busses, bus maintenance, and technology to broaden the purposes for which they can use their sinking fund dollars.

Now this is not more true and necessary than in this time of economic crisis and the need to educate the workers of the future. Technology is undeniably a critical part of our ability to redefine who we are in the state of Michigan; to ensure our future individual and collective success. In this time of economic crisis, we are asking every person, every business, and every public and private entity to pinch pennies and chip in if they can. So I don't have to tell you that schools throughout our state in many, if not most, of your districts have sinking funds that they are hamstrung from using to educate our kids. Let's change that.

Just looking at the cuts in this budget bill sickens me. I can't imagine how we are going to meet the tough curriculum, much less ensure that we are going to turn out competitive workers of tomorrow. But at the very least—the very least—let's give them a lifeline and permit a broader use of the sinking fund dollars that they have. It's a measure that the vast majority of us have supported at one time or another in our careers.

Please help me do something meaningful for our schools. When you look at this list of cuts that are in this budget bill, let's hand them a lifeline. Let's adopt the sinking fund legislation, and let's show that we're serious about doing this by tie-barring the sinking fund legislation that the House sent over here and say we're going to do this along with the measures that we are taking today; we are going to hand them this lifeline so they can stay afloat and educate our kids. I ask for your support.

Senator Cropsy's statement is as follows:

I just want to echo what the previous speaker said. Once you start tie-barring policy bills to appropriation bills, you are really setting a terrible precedent. I would just urge everyone, as a matter of principle on this one, to turn down this amendment.

Senator Jelinek's third statement is as follows:

Mr. Chairman, this bill lays a foundation for a dependable budget for schools for the next two years. It's no guarantee, of course, because of revenues, but we hope it does. If additional funds become available, we certainly know where to use them. Let's give schools some ability to plan ahead, and let's vote "yes" on this budget. Let's be real; let's provide a dependable budget with real funds.

May our revenues stay at least level in the future. We cannot spend more than we have, so I ask you to vote “yes” on this budget.

The following bill was read a third time:

**House Bill No. 4721, entitled**

A bill to amend 1979 PA 94, entitled “The state school aid act of 1979,” by amending sections 6, 11, 11j, 11n, 20, 22a, 22b, 26a, 31a, 51a, 51c, 53a, and 94a (MCL 388.1606, 388.1611, 388.1611j, 388.1611n, 388.1620, 388.1622a, 388.1622b, 388.1626a, 388.1631a, 388.1651a, 388.1651c, 388.1653a, and 388.1694a), sections 6, 11, 11j, 22a, 22b, 26a, 31a, 51a, 51c, 53a, and 94a as amended and section 11n as added by 2008 PA 268 and section 20 as amended by 2008 PA 561, and by adding section 98a.

The question being on the passage of the bill,

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

**Roll Call No. 337**

**Yeas—35**

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

**Nays—0**

**Excused—2**

Garcia Prusi

**Not Voting—0**

In The Chair: Richardville

The question being on concurring in the committee recommendation to give the bill immediate effect,

The recommendation was concurred in, 2/3 of the members serving voting therefor.

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

“An act to make appropriations to aid in the support of the public schools and the intermediate school districts of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to supplement the school aid fund by the levy and collection of certain taxes; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts.”

The Senate agreed to the full title.

Senator Cropsey moved to reconsider the vote by which the following bill was passed:

**House Bill No. 4447, entitled**

A bill to amend 1979 PA 94, entitled “The state school aid act of 1979,” by amending sections 3, 6, 11, 11a, 11g, 11j, 11k, 11m, 15, 18, 20, 20d, 20j, 22a, 22b, 22e, 24, 24a, 24c, 26a, 26b, 31a, 31d, 31f, 32b, 39a, 51a, 51c, 51d, 53a, 54,

61a, 74, 81, 94a, 98, 99, 99i, 101, 104, 104b, 107, 147, and 164c (MCL 388.1603, 388.1606, 388.1611, 388.1611a, 388.1611g, 388.1611j, 388.1611k, 388.1611m, 388.1615, 388.1618, 388.1620, 388.1620d, 388.1620j, 388.1622a, 388.1622b, 388.1622e, 388.1624, 388.1624a, 388.1624c, 388.1626a, 388.1626b, 388.1631a, 388.1631d, 388.1631f, 388.1632b, 388.1639a, 388.1651a, 388.1651c, 388.1651d, 388.1653a, 388.1654, 388.1661a, 388.1674, 388.1681, 388.1694a, 388.1698, 388.1699, 388.1699i, 388.1701, 388.1704, 388.1704b, 388.1707, 388.1747, and 388.1764c), sections 3, 6, 11, 11a, 11g, 11j, 11k, 11m, 15, 18, 20d, 22a, 22b, 24, 24a, 24c, 26a, 26b, 31a, 31d, 31f, 39a, 51a, 51c, 51d, 53a, 54, 61a, 74, 81, 94a, 98, 99, 99i, 104, 104b, 107, 147, and 164c as amended and section 22e as added by 2008 PA 268, sections 20, 20j, and 32b as amended by 2008 PA 561, and section 101 as amended by 2006 PA 342; and to repeal acts and parts of acts.

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

The question being on the passage of the bill,

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

**Roll Call No. 338**

**Yeas—20**

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

**Nays—15**

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

**Excused—2**

Garcia	Prusi
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**Not Voting—0**

In The Chair: Richardville

By unanimous consent the Senate returned to the order of

**Messages from the House**

**House Bill No. 4998, entitled**

A bill to amend 2008 PA 554, entitled “Regional convention facility authority act,” by amending sections 5, 7, 11, and 19 (MCL 141.1355, 141.1357, 141.1361, and 141.1369).

The House of Representatives has nonconcurrent in the Senate substitute (S-2) and appointed Reps. Johnson, Donigan and Walsh as conferees.

The message was referred to the Secretary for record.

**Senate Bill No. 243, entitled**

A bill to make appropriations for the department of energy, labor, and economic growth and certain other state purposes for the fiscal year ending September 30, 2010; to provide for the expenditure of those appropriations; to provide for the imposition of certain fees; to provide for the disposition of fees and other income received by the state agencies; to

provide for reports to certain persons; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

The House of Representatives has substituted (H-1) the bill.

The House of Representatives has passed the bill as substituted (H-1) and ordered that it be given immediate effect.

Pending the order that, under rule 3.202, the bill be laid over one day,

Senator Cropsey moved that the rule be suspended.

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

The question being on concurring in the substitute made to the bill by the House,

The substitute was not concurred in, a majority of the members serving not voting therefor, as follows:

**Roll Call No. 339**

**Yeas—1**

Cherry

**Nays—34**

Allen	Clark-Coleman	Jansen	Richardville
Anderson	Clarke	Jelinek	Sanborn
Barcia	Cropsey	Kahn	Scott
Basham	George	Kuipers	Stamas
Birkholz	Gilbert	McManus	Switalski
Bishop	Gleason	Olshove	Thomas
Brater	Hardiman	Pappageorge	Van Woerkom
Brown	Hunter	Patterson	Whitmer
Cassis	Jacobs		

**Excused—2**

Garcia Prusi

**Not Voting—0**

In The Chair: Richardville

**Senate Bill No. 249, entitled**

A bill to make appropriations for the judicial branch for the fiscal year ending September 30, 2010; 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 state and local departments, officials, and employees; to require certain reports; and to provide for the disposition of fees and other income received by the judicial branch.

The House of Representatives has substituted (H-1) the bill.

The House of Representatives has passed the bill as substituted (H-1) and ordered that it be given immediate effect.

Pending the order that, under rule 3.202, the bill be laid over one day,

Senator Cropsey moved that the rule be suspended.

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

The question being on concurring in the substitute made to the bill by the House,

The substitute was not concurred in, a majority of the members serving not voting therefor, as follows:

**Roll Call No. 340**

**Yeas—0**

**Nays—35**

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

**Excused—2**

Garcia	Prusi
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**Not Voting—0**

In The Chair: Richardville

**Senate Bill No. 254, entitled**

A bill to make appropriations for the state transportation department and certain transportation purposes for the fiscal year ending September 30, 2010; to provide for the imposition of fees; to provide for reports; to create certain funds and programs; to prescribe requirements for certain railroad and bus facilities; to prescribe certain powers and duties of certain state departments and officials and local units of government; and to provide for the expenditure of the appropriations.

The House of Representatives has substituted (H-1) the bill.

The House of Representatives has passed the bill as substituted (H-1) and ordered that it be given immediate effect.

Pending the order that, under rule 3.202, the bill be laid over one day,

Senator Cropsey moved that the rule be suspended.

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

The question being on concurring in the substitute made to the bill by the House,

The substitute was not concurred in, a majority of the members serving not voting therefor, as follows:

**Roll Call No. 341****Yeas—2**

Cherry	Whitmer
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**Nays—33**

Allen	Clark-Coleman	Jacobs	Patterson
Anderson	Clarke	Jansen	Richardville
Barcia	Cropsey	Jelinek	Sanborn
Basham	George	Kahn	Scott
Birkholz	Gilbert	Kuipers	Stamas
Bishop	Gleason	McManus	Switalski
Brater	Hardiman	Olshove	Thomas
Brown	Hunter	Pappageorge	Van Woerkom
Cassis			

**Excused—2**

Garcia

Prusi

**Not Voting—0**

In The Chair: Richardville

**Senate Bill No. 586, entitled**

A bill to amend 1987 PA 264, entitled "Health and safety fund act," by amending section 5 (MCL 141.475), as amended by 2008 PA 586.

The House of Representatives has substituted (H-1) the bill.

The House of Representatives has passed the bill as substituted (H-1), ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

Pending the order that, under rule 3.202, the bill be laid over one day,

Senator Cropsey moved that the rule be suspended.

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

The question being on concurring in the substitute made to the bill by the House,

The substitute was not concurred in, a majority of the members serving not voting therefor, as follows:

**Roll Call No. 342****Yeas—0****Nays—35**

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

**Excused—2**

Garcia

Prusi

**Not Voting—0**

In The Chair: Richardville

**Senate Bill No. 588, entitled**

A bill to amend 2000 PA 489, entitled "Michigan trust fund act," by amending section 7 (MCL 12.257), as amended by 2008 PA 256.

The House of Representatives has substituted (H-1) the bill.

The House of Representatives has passed the bill as substituted (H-1), ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.



Pending the order that, under rule 3.202, the bill be laid over one day,  
 Senator Cropsey moved that the rule be suspended.  
 The motion prevailed, a majority of the members serving voting therefor.  
 The question being on concurring in the substitute made to the bill by the House,  
 The substitute was not concurred in, a majority of the members serving not voting therefor, as follows:

**Roll Call No. 343****Yeas—0****Nays—35**

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

**Excused—2**

Garcia	Prusi
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**Not Voting—0**

In The Chair: Richardville

By unanimous consent the Senate proceeded to consideration of the following bill:

**Senate Bill No. 587, entitled**

A bill to amend 1985 PA 106, entitled "State convention facility development act," by amending sections 3, 8, 9, 10, and 12 (MCL 207.623, 207.628, 207.629, 207.630, and 207.632), as amended by 2008 PA 553.

Substitute (H-1).

The question being on concurring in the substitute made to the bill by the House,

The substitute was not concurred in, a majority of the members serving not voting therefor, as follows:

**Roll Call No. 344****Yeas—0****Nays—35**

Allen	Cherry	Jacobs	Richardville
Anderson	Clark-Coleman	Jansen	Sanborn
Barcia	Clarke	Jelinek	Scott
Basham	Cropsey	Kahn	Stamas
Birkholz	George	Kuipers	Switalski
Bishop	Gilbert	McManus	Thomas
Brater	Gleason	Olshove	Van Woerkom

Brown  
CassisHardiman  
HunterPappageorge  
Patterson

Whitmer

**Excused—2**

Garcia

Prusi

**Not Voting—0**

In The Chair: Richardville

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

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

The motion prevailed.

Senator George's statement is as follows:

I rise to comment on the Community Health budget, which passed the Senate today. We are all aware of and regret the potential effects of the proposed reductions made in this budget to Medicaid providers and recipients. These follow on the heels of the reductions previously made by the Governor's executive order, which eliminated important services, such as adult dental, vision, hearing, and podiatry coverage, and also implemented a 4-percent reduction in hospital payments. Now in order to meet the reality of ongoing revenue reductions, further cuts are needed.

During today's debate, various criticisms were leveled upon us for doing our job, for making a budget based on reality. We were reminded of the potential consequences further reductions may have for the citizens of Michigan, but nowhere did we hear from the minority party any mention of the shared responsibility of our partner in the Medicaid program, the federal government. Recall that the federal government placed constraints on our ability to reform Medicaid and our ability to balance this budget without making those cuts. For example, there are federal restrictions on our ability to require recipients to be partners in their care. There are federal strings which prevent us from tightening eligibility requirements during a time when we are being flooded with 15,000 new recipients a month. And most troublesome, we are victims of a flawed federal matching mechanism which fails to take into account our nation's leading unemployment rate.

We are all aware that the federal Medicaid match rate has traditionally been linked to the unemployment rate of the various states. Therefore, we would expect now that Michigan leads the country in unemployment and that as a result, we would enjoy the highest Medicaid match rate. But, in fact, it is not so. A review of the match rates of the 50 states shows that Michigan is 23rd. There are twenty-two states and the District of Columbia, all with lower unemployment rates than Michigan, but which enjoy a more generous Medicaid match funding from the federal government. Even North Dakota, with the nation's lowest unemployment rate of 4.4 percent, sees a higher federal Medicaid match rate than Michigan.

We suffer an unemployment rate that is 30 percent higher than our neighbors to the south, Ohio and Indiana, yet, our Medicaid match rate is lower by 1 percent and 5 percent, respectively, than those states. This seemingly small difference would translate into hundreds of millions of dollars less in additional federal aid.

If we had the same match rate as Louisiana, a state which has an unemployment rate that is half ours—6.6 percent—we would have qualified for an additional 950 million in federal dollars. We could have averted all of the cuts we are making today. We could have restored adult dental services, vision, and hearing services and averted the 8-percent cuts to hospitals.

Why is it that despite our high unemployment rate, we fall behind? It is because of the federal formula supported by the Obama Administration and our U.S. Senators. It fails to fully take into account the severity of our state's economic crisis. I read that the Governor was in Battle Creek recently with the U.S. Secretary of Energy. They were promoting energy efficiency by giving away surge protectors, tomato plants, and low-flow shower heads. It seems that if they have so much clout with the Obama Administration, perhaps they should use their skills to secure a Medicaid funding match instead of cutting Medicaid recipients and giving them free shower heads.

Senator Scott's statement is as follows:

This is something that we can do right here. We don't have to blame the federal government. When he gave the commencement speech at Knox College in Illinois, then-U.S. Senator Barack Obama told the students to ask themselves, "What will be my place in history?" I ask you what will be our place in the history of Michigan? People would remember us for the good we did for the average family if we would only address the issue of auto insurance.

Michigan workers and their families continue to struggle with the mortgage payments, putting food on the table, and paying for health care. We could offer them at least a little relief if we would only make auto insurance reform a priority and pass bills that would ensure fair rates for every Michigan driver regardless of their address.

Senator Hardiman's statement is as follows:

I rise to make a statement regarding this budget process that we've been involved in. The state unemployment rate is at the highest level since 1983 at 14.2 percent. People are hurting. May revenues were \$62 million below estimates, and for several months this year, they've been more than \$100 million below the reduced projections. Our state budget has to reflect that reality. To pretend otherwise gives false hope instead of compassion.

The budgets presented over the last two weeks reflect falling revenues and numerous reductions to important projects. I wish many of these cuts were not necessary, but we must balance the budget. At the same time, we must balance what at times I'm sure it seems like competing priorities. We must balance the need to provide a better business environment with the need for more services due to these challenging economic times. We need a better business environment so there will be jobs and private investments in our communities. In this way, our whole state benefits.

We must continue to balance the immediate needs of people with strategic investments in programs which will hopefully address root causes and help our families and our vulnerable neighborhoods. We must balance the desire to maintain programs we deeply care about with the need to provide a more basic safety net for those additional individuals who have fallen on hard times due to the challenging economic times we're in.

There is no question that many beneficial programs have been cut. Particularly painful to me are reductions in the Departments of Human Services, Community Health, and Education. While I commend the chairs, the committee members, and the body for giving thoughtful, even at times, agonizing consideration to these budgets, many of the reductions are hard to swallow. I have sponsored a placeholder for school readiness programs because I believe they are critical and that they should continue to be discussed. However, I know that we must balance the budget.

I want to give you a brief analogy on balancing competing priorities. There was a family that desired to provide their second child with an excellent college education. Their first child's education had been fully paid for. The father and mother, since that time, had been laid off from their good-paying jobs, and thankfully, they were working at other jobs but receiving a smaller paycheck.

The parents couldn't afford to pay for college in full, but they helped as much as they could. Encouraged by his parents, the second child worked his way through college. While the parents loved the second child as much as they did the first child, they couldn't financially assist the second child as much as they had their first child because they had to take care of all of their financial responsibilities. The first child, their church, and other community members helped the second child in small but encouraging ways.

It was tougher; it took longer, but the second child graduated, and he appreciated his education even more than the first child. He and his parents modeled perseverance, personal and fiscal responsibility, and adherence to a vision of a brighter future.

The object of my analogy is not to present a paternalistic image of the Senate. It is to say that we are in a difficult time, and we might not have as much as we've had in the past, but I believe that we face that difficult time with strong fiscal principles and compassion with a wise vision and determination. I believe Michigan can come out of these challenging times stronger and with a brighter future.

While we in this chamber may disagree on specific budget items, I believe that we all want to see our whole state return to prosperity. We all want to see those less fortunate receive the help that they need. It is my hope and prayer that we will work together for that end.

Senator Cherry's statement is as follows:

I know I have been up here many times today, but this is the last time and short too. As many of you know, I have been a member of the Michigan Legislative Children's Caucus for more than six years. I accepted the position of co-chair because I believe as lawmakers we have the ability to make decisions that will improve the lives of Michigan's at-risk kids.

One of the primary missions of the Children's Caucus is to educate our colleagues on the importance of early education and the need to fund those programs. I know we have to make huge cuts in the state budget, but we also need to make smart cuts. What happened last week with the Department of Human Services budget in regard to early childhood education and day-care programs was not smart, nor were the cuts that we made today in the K-12 budget.

We cannot balance the budget on the backs of our kids. I don't believe, as a member of the Children's Caucus, that we have been effective in convincing our colleagues that early childhood education is necessary. I don't believe we have done our job to make sure that at-risk kids get the best start possible and are given the best chance to succeed in school and future careers.

While I will continue to advocate for investment in adequate funding, I regretfully announce my resignation as both co-chair and a member of the Michigan Legislative Children's Caucus.

Senator Bishop's statement is as follows:

I would like to rise and comment on the motions to discharge the bills that would permanently change our unemployment benefits in exchange for one-time monies available under the federal stimulus act. The approach of the other side of the aisle is to expand unemployment coverage, even if it means increasing taxes on our already-struggling job providers and further jeopardizing our state's economy which we all know is teetering on the brink of collapse. As we sat here today after the motion was made, calls were being made into our district by the other side of the aisle and their team by way of robo-calls to spin this issue to suggest that we didn't care about the unemployed in this state.

I want to tell you a little bit about why we stand for what we stand for, and I want to talk about the present system that is in place right now. Michigan has a 100 percent employer-financed unemployment insurance trust fund. It is, plain and simple, broken. Throwing money at this issue will not solve the problem, as we know from many other examples. Michigan already owes the federal government over \$2.2 billion for its borrowing. Even without this infusion of what amounts to Monopoly money, Michigan employers could see an unemployment payroll tax increase, which would double by 2011.

This is an interesting situation because it does appear that we have money on the table that we are leaving. I want you to know that there is a reason for this. The opposition in this case wants to permanently raise unemployment taxes on Michigan businesses to finance unemployment insurance in this state. That is a flawed plan. It is one that will get us in big trouble because even though we all know that Michigan is having difficult times, and we are either tied or in the lead in the nation in unemployment for the past 29 consecutive months, it would be a gross understatement to say that Michigan job providers are struggling to survive. Adopting these changes will only make the situation far worse. Job providers will be forced to close their doors, move to another state, cut jobs, and cut health insurance in order to afford the additional payroll taxes from this flawed change. In each of the options, I think we can all agree it's bad for Michigan's economy at a time when we should be working on ways to fill the unemployment holes in this state.

I want to put a personal face with this too. Let's use an example of a small business, one that has 40 full-time employees, 150 part-time employees. They could see their unemployment taxes soar from \$15,000 per year to \$85,000 per year. I want to ask you, where does that money come from? How will they pay for it? The fact of the matter is they won't. This is a ridiculous solution, and it will only chase more job providers from our state.

The bottom line is that this proposal will levy a \$69.7 million tax obligation on Michigan businesses in exchange for a one-time payment of about \$140 million, which we all know will disappear in the next two years, leaving an ongoing obligation for the state of Michigan without funding. That's like a person getting a new credit card in the face of a bank foreclosure. There are a lot of people out there who are in support of our position on this who have suggested their opposition to the Democrats' proposal on this. I would refer you to the builders, the chambers of commerce around the state, the insurance agents, the Realtors, the bankers, the grocers, the manufacturers, the candlestick makers, the restaurants, the retailers, the independent businesses, and even the small businesses. Everybody is opposed to it. If you look at the various editorial boards around the state, they have all opined against it, including the Battle Creek newspaper, which doesn't have a Senator right now. But the Republican Senate right now is going to stand up for them and adopt them as district, and we are going to represent their views on this.

This is bad for Michigan, bad for job providers, and we should all be opposed to it.

Pursuant to rule 3.506, Senator Hardiman submitted a statement in writing for inclusion in today's Journal.

Senator Hardiman's statement is as follows:

I rise to speak to both the bill and the substitute. First, I would like to ask members to reject the committee substitute which is pending. There will be a new (S-2) substitute which should be adopted. I want to thank the committee members Senators Jansen, Barcia, Kahn and Scott and the Department of Human Services, Senate Fiscal and Policy, service providers, recipients, and our staff for their efforts and input.

Earlier this week, the Senate Fiscal Agency reported the state unemployment rate is up to the highest level since 1983. People are hurting, and we have to act with wisdom and compassion to help them. The Senate Fiscal Agency also reported that our May revenues were \$62 million below estimates, and recent months have all seen declines over 10 percent. To pretend otherwise gives false hope instead of compassion.

The (S-2) version of Senate Bill No. 248 will reflect falling revenues in numerous reductions to important projects. I wish these cuts were not necessary, but they are. Instead of a General Fund appropriation of \$1.26 billion, the new General Fund target for DHS is \$794 million. I have spent a lot of time trying to balance the immediate needs of people with strategic investments in programs which will hopefully address the root causes and help our families and our vulnerable neighbors.

There is some good news. Child Protective Services are not cut. Senate Bill No. 248 will allow Michigan to comply with the requirements of the federal settlement on foster care, and help us avoid an even more expensive lawsuit. More people will receive federal food assistance than ever before. Stimulus funds will allow increased home weatherization programs. The "Bridges" and other technology improvements will go forward and help make DHS more efficient and effective. Numerous community-based programs for children and families will continue to help them respond to their situations and improve their lives.

There is no question that some programs will be cut. There are reductions in the Family Independence Program grants, in day-care payments, and in many other programs doing good work. However, taken all together, Senate Bill No. 248 represents a balance between immediate needs, long-range improvements, and meeting the target and is worth supporting. When we pass this budget in particular, we are responsible to the clients and to the taxpayers. We also have a higher responsibility and a promise.

An old wise saying, Psalm 41:1, says, "Blessed is he that considereth the poor; the LORD will deliver him in time of trouble." While our state government efforts are not the only way the people of Michigan should consider the poor, it is a primary one. I believe that Senate Bill No. 248, even with the painful cuts, does consider the poor and needy among us. My hope is that this bill—and all our efforts—will be part of the Lord's deliverance of our great state in this time of trouble.

### Committee Reports

The Committee on Banking and Financial Institutions reported

**House Bill No. 4166, entitled**

A bill to require disclosure of certain information in connection with refund anticipation loans; and to prescribe penalties.

With the recommendation that the bill pass.

The committee further recommends that the bill be given immediate effect.

Randy Richardville  
Chairperson

To Report Out:

Yeas: Senators Richardville, Stamas, Hunter, Clarke and Olshove

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Banking and Financial Institutions reported

**House Bill No. 4607, entitled**

A bill to prescribe certain duties and obligations of the parties to a refund anticipation loan; and to prescribe penalties.

With the recommendation that the bill pass.

The committee further recommends that the bill be given immediate effect.

Randy Richardville  
Chairperson

To Report Out:

Yeas: Senators Richardville, Stamas, Hunter, Clarke and Olshove

Nays: None

The bill was referred to the Committee of the Whole.

### COMMITTEE ATTENDANCE REPORT

The Committee on Banking and Financial Institutions submitted the following:

Meeting held on Wednesday, June 24, 2009, at 8:30 a.m., Room 210, Farnum Building

Present: Senators Richardville (C), Cassis, Stamas, Clarke and Olshove

Excused: Senators Sanborn and Hunter

### COMMITTEE ATTENDANCE REPORT

The Committee on Commerce and Tourism submitted the following:

Meeting held on Tuesday, June 23, 2009, at 4:00 p.m., Room 100, Farnum Building

Present: Senators Allen (C), Gilbert, Stamas and Clarke

Excused: Senator Hunter

## COMMITTEE ATTENDANCE REPORT

The Subcommittee on Federal Stimulus Oversight submitted the following:

Meeting held on Wednesday, June 24, 2009, at 8:30 a.m., Senate Appropriations Room, 3rd Floor, Capitol Building

Present: Senators Jelinek (C), Gilbert, Pappageorge, Jansen, Switalski, Cherry and Clark-Coleman

Excused: Senator Kahn

**Scheduled Meetings**

**Appropriations** - Thursday, June 25, 9:00 a.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-6960)

**Conference Committees -**

**21st Century Trust Fund (SB 588)** - Thursday, June 25, 11:15 a.m., Room 405, Capitol Building (373-2413)

**Health and Safety Fund (SB 586)** - Thursday, June 25, 11:05 a.m., Room 405, Capitol Building (373-2413)

**Hotel-Motel Tax (SB 587)** - Thursday, June 25, 11:10 a.m., Room 405, Capitol Building (373-2413)

**Regional Convention Facility Leasing Authority (HB 4998)** - Thursday, June 25, 11:00 a.m., Room 428, Capitol Building (373-0015)

**Education** - Thursday, June 25, 9:00 a.m., Room 210, Farnum Building (373-6920)

**Finance** - Thursday, June 25, 11:00 a.m., Room 110, Farnum Building (373-1758)

**Legislative Commission on Statutory Mandates** - Thursday, June 25 (CANCELED); Friday, June 26, 9:00 a.m., Oakland County Executive Office Building, Waterford Room, 1st Floor, Building 41-West, 2100 Pontiac Lake Road, Waterford (373-0212)

**Legislative Retirement Board of Trustees** - Thursdays, September 10 and December 3, 2:00 p.m., Room H-252, Capitol Building (373-0575)

Senator Cropsey moved that the Senate adjourn.

The motion prevailed, the time being 7:09 p.m.

The President pro tempore, Senator Richardville, declared the Senate adjourned until Thursday, June 25, 2009, at 10:00 a.m.

CAROL MOREY VIVENTI  
Secretary of the Senate