

No. 33
STATE OF MICHIGAN
Journal of the Senate
98th Legislature
REGULAR SESSION OF 2015

Senate Chamber, Lansing, Wednesday, April 15, 2015.

10:00 a.m.

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

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

Ananich—present
Bieda—present
Booher—present
Brandenburg—present
Casperson—present
Colbeck—present
Emmons—present
Green—present
Gregory—present
Hansen—present
Hertel—present
Hildenbrand—present
Hood—present

Hopgood—present
Horn—present
Hune—present
Johnson—excused
Jones—present
Knezek—present
Knollenberg—present
Kowall—present
MacGregor—present
Marleau—present
Meekhof—present
Nofs—present
O'Brien—present

Pavlov—present
Proos—present
Robertson—present
Rocca—present
Schmidt—present
Schuitmaker—present
Shirkey—present
Smith—present
Stamas—present
Warren—present
Young—present
Zorn—present

Pastor David Grant of Escanaba Church of Christ of Escanaba offered the following invocation:

Our Father, who art in heaven, God of compassion and mercy, slow to anger and abounding in love and faithfulness, lover of all people of the earth: There is no God like You in all of heaven or earth below. You keep Your covenant of love to all who walk before You in wholehearted devotion. Hallowed be Thy name.

We come to You today in gratitude for all that You have blessed us with as citizens of this free country—for our homes, our families, and our great state of Michigan. We come to You today in humility, asking You to remind us that all nations are subject to You, and all governments are but a shadow of a passing age. Authorities are meant to be Your servants, to do good to people and be Your care, and to ensure justice for those who have been wronged. But we all, including our leaders, will stand before Your judgment seat, O God, and as surely as You live, every knee will bow and every tongue confess and give praise to You. Thy kingdom come on earth.

We seek Your guidance today as an assembled body of leaders for the people of Michigan. Endow us with the wisdom that comes through the gifts of prayerful thought and thoughtful prayer. May we discern what is right and do it. Thy will be done on earth, as it is in heaven.

Help us to have a heart that seeks to protect and provide for those who are hungry or homeless; those who have no family to protect them. May we aspire to true religion that is acceptable to You; to care for orphans and widows in their distress and flee corruption. Give us this day our daily bread.

May we seek to honor You in the manner in which we conduct the business of the people we serve and protect. Help us to desire mutual edification that leads to peace and helps to engage in discussion in a way that is not divisive, but that which seeks the common good. Forgive us our trespasses, as we forgive those who trespass against us.

Let us seek reconciliation. Let us not delight in victory, but in doing what is right. Lead us not into temptation.

Lord, we pray that Your presence be among all Your children. Be present to those who are suffering and those who are causing that suffering. Be present in the lives of the oppressed and the lives of the oppressors. Be present to the leaders of all nations and especially to the citizens of the United States of America. Bless the people of this great state with a real sense of Your presence. Deliver us from evil.

Father, may we act justly, love mercy, and walk humbly with You forever, O God; for Yours is the kingdom and the power and the glory forever and ever. In the name of Jesus, we pray. Amen.

The President pro tempore, Senator Schuitmaker, led the members of the Senate in recital of the *Pledge of Allegiance*.

Motions and Communications

Senators Hune and Hopgood entered the Senate Chamber.

Senator Kowall moved that Senator Meekhof be temporarily excused from today's session.
The motion prevailed.

Senator Kowall moved that rule 3.902 be suspended to allow the guests of Senator Zorn and Lieutenant Governor Calley admittance to the Senate floor.

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

Senator Hood moved that Senator Young be temporarily excused from today's session.
The motion prevailed.

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

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

The motion prevailed.

Senator Zorn's statement is as follows:

I am honored to introduce to my esteemed colleagues this year's Miss Michigan, KT Maviglia of Dundee. KT is here today to kick off support for legislation that seeks to provide children up the age of 21 with hearing devices through their health insurance coverage.

As a little background, KT was diagnosed with hearing loss at the age of nine, after years of learning difficulties. Her platform for Miss Michigan and for the Miss America contest is "Listen Up: Advocating for those with hearing disabilities,"

especially for children. Hearing loss is one of the most frequently occurring birth defects in the United States. It is estimated that 30 out of every 1,000 school-age children struggle with hearing loss that affects the education of our children and can last a lifetime. Even mild hearing loss can cause a student to miss as much as 50 percent of classroom discussion and instruction. Hearing loss in children is oftentimes confused with learning disabilities. Early intervention can help children achieve academic success and reach their lifetime goals. I understand the concerns of bearing this cost, but, I submit, not to act is a cost much higher to society.

Research shows that early intervention will allow a child to maximize their language and speech and will provide a lifetime savings to our society of \$1 million per person. The cost of a hearing device should never be a factor in a child's education. It is the hope and prayer of KT, as well as myself, that this legislation will open new doors of success in the classroom that will help our youth reach their dreams and full potential. After session today, please stop by and say hello to our Miss Michigan, KT Maviglia.

Recess

Senator Kowall moved that the Senate recess subject to the call of the Chair.
The motion prevailed, the time being 10:09 a.m.

11:06 a.m.

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

During the recess, Senators Young and Meekhof entered the Senate Chamber.

By unanimous consent the Senate proceeded to the order of

Resolutions

Senate Concurrent Resolution No. 5.

A concurrent resolution to request the United States Congress to enact legislation and the U.S. Department of Health and Human Services to promulgate rules that would promote the opportunity for consumers to choose Direct Primary Care Services as an integral part of their health care plan.

The question being on the adoption of the concurrent resolution,
The concurrent resolution was adopted.

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

The motion prevailed.

Senator Colbeck's statement is as follows:

As we all know, we passed some pretty important legislation for us to pursue a free market health care system in the state of Michigan with the passage of Public Act No. 522 of 2014 around Direct Primary Care Services. This resolution simply addresses what we need the federal government to do in order to expand the opportunities here in the state of Michigan to deploy this business model, improve health care delivery for our constituents, and make health care more affordable for them. It highlights that we would like the federal government to open up the usage of Direct Primary Care Services for Medicaid and Medicare, remove restrictions on its use and payment out of a health savings account, and require that they specify in the legislation—the Affordable Care Act—the terms of Direct Primary Care Service agreements.

I encourage support from my colleagues. Passage of this will help send a message out to the federal government that the best approach to going off and fixing our health care system and providing better value for our citizens is to let the free market work.

Senate Resolution No. 26.

A resolution to urge the Federal Aviation Administration to reconsider new policies that would prohibit offset loading of sea-land containers by the U.S. air cargo industry.

The question being on the adoption of the resolution,
The resolution was adopted.

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

The motion prevailed.

Senator Kowall's statement is as follows:

For over four decades, the air cargo industry has safely loaded sea-land containers along the sides of aircrafts, utilizing the aircraft designed restraint system as an efficient and cost-effective means of transporting these containers. The International Air Transport Association has incorporated this loading method into its latest standards.

However, on December 1, 2014, the FAA published a Notice of Proposed Rulemaking. This would expressly prohibit the offset loading of sea-land containers by only the U.S. cargo industry. The economic impact of this industry is significant. These containers transport more than \$900 billion in goods annually and are particularly important for transporting goods to places where access to road, rail, or port is difficult. These containers transport goods that are military-related, such as supplies shipped by military contractors and destined to U.S. troops overseas.

I would encourage all of my colleagues to vote for this resolution.

Introduction and Referral of Bills

Senators Hansen, Nofs, Booher, Marleau and Proos introduced

Senate Bill No. 265, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 12542 (MCL 333.12542).

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

Senator Hansen introduced

Senate Bill No. 266, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," by amending section 705 (MCL 380.705), as amended by 2003 PA 299.

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

Senator Hansen introduced

Senate Bill No. 267, entitled

A bill to amend 1933 PA 167, entitled "General sales tax act," by amending section 25 (MCL 205.75), as amended by 2012 PA 226.

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

Senator Booher introduced

Senate Bill No. 268, entitled

A bill to amend 1981 PA 118, entitled "An act to regulate motor vehicle manufacturers, distributors, wholesalers, dealers, and their representatives; to regulate dealings between manufacturers and distributors or wholesalers and their dealers; to regulate dealings between manufacturers, distributors, wholesalers, dealers, and consumers; to prohibit unfair practices; to provide remedies and penalties; and to repeal certain acts and parts of acts," by amending section 14 (MCL 445.1574), as amended by 2014 PA 354.

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

Senators Young, Warren, Hertel, Hopgood and Knezek introduced

Senate Bill No. 269, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by amending section 556 (MCL 750.556).

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

Senators Jones, Schuitmaker, Horn and Hopgood introduced

Senate Bill No. 270, entitled

A bill to amend 1998 PA 386, entitled "Estates and protected individuals code," (MCL 700.1101 to 700.8206) by adding sections 5301b and 5402a.

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

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

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

The motion prevailed, and the President, Lieutenant Governor Calley, designated Senator Hildenbrand as Chairperson.

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

Senate Bill No. 169, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," (MCL 380.1 to 380.1852) by adding section 1278e. Substitute (S-2).

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

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

Senate Bill No. 170, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," (MCL 380.1 to 380.1852) by adding section 1278d. Substitute (S-2).

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

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

Senate Bill No. 221, entitled

A bill to provide for the reciprocal exchange of distance education between this state and other states or a higher education compact; to prescribe the powers and duties of certain state agencies and officials; to provide for collection of fees; to designate the state agency for negotiating distance education agreements; to establish a complaint process for students enrolled in distance education programs at participating colleges and universities; to establish an authorization and approval process for out-of-state distance education providers and participating colleges and universities in this state; and to provide penalties.

Substitute (S-2).

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

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

Senate Bill No. 232, entitled

A bill to amend 1937 PA 94, entitled "Use tax act," by amending section 2 (MCL 205.92), as amended by 2013 PA 234. Substitute (S-1).

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

1. Amend page 6, line 14, after "year" by striking out the balance of the sub-subparagraph and inserting a period.

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:

Senate Bill No. 233, entitled

A bill to amend 1933 PA 167, entitled "General sales tax act," by amending section 1 (MCL 205.51), as amended by 2013 PA 160.

Substitute (S-1).

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

1. Amend page 5, line 13, after "year" by striking out the balance of the sub-subparagraph and inserting a period.

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.

Statements

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

The motion prevailed.

Senator Warren's statement is as follows:

Today is April 15, and that means today is Tax Day. All across the country and all across Michigan, last-minute filers are getting ready their paperwork and perhaps their payments to get them to us on time. I have been thinking a lot today about what that means for people across our state. Now, of course, a common joke up here might be that, as the liberal from Ann Arbor, I have never met a tax hike I did not like, and it is true. Over my last eight years in this Capitol, I have supported a number of efforts to raise revenue for the programs and public services that are essential to maintaining a high quality of life throughout our state. We need strong schools, good infrastructure, and quality local services, but the reality is that someone has to pay for it. Right now, that someone is increasingly our working poor and our middle-class families.

In fact, according to a recent report by the Institute on Taxation and Economic Policy, the lowest 20 percent of our wage earners pay 9.2 percent of their income toward state and local taxes, while the top 1 percent pay just 5.1 percent. Now that might not sound like such a grave disparity at first, but to give some context as to how these groups are defined: The lowest 20 percent are those making less than \$17,000 a year, while the top 1 percent are those making over \$392,000 a year. So, here in our state, a single mother trying to make ends meet working one or two minimum wage jobs and making less than \$17,000 annually will pay taxes today at a rate almost twice what a CEO making \$392,000 or more pays. I don't care how you want to spin it, that's just plain wrong.

In all honesty, values of fairness aside, it's just not working. As we all know, we are about to grapple with a significant budget deficit for the upcoming fiscal year, due in large part to promises made to corporations in the past and a \$1.7 billion tax cut that we passed almost four years ago. We simply cannot make up that difference on the backs of our working families. They don't have it to give, and frankly, they shouldn't have to. That's why earlier this year, I reintroduced a joint resolution to amend the Constitution to implement a graduated income tax in Michigan. It is just one step towards correcting this injustice, but a critically important one.

So, as we come back from break and begin to make decisions for the next year, I hope you will consider this legislation and other measures that work to both balance our tax system in a better way and, ultimately, to preserve the programs and services that make our state a great place to live. Let's make Michigan a state where everyone pays their fair share.

Senator Colbeck's statement is as follows:

Yes, it is Tax Day, and for me it kind of harkens back to my orientation that I went through as a freshman legislator four years ago. We went through the legislative leadership programs that went through all the major issues that were facing us and would be facing us as a Legislature, and I am pleased to say that I met a lot of good friends during that program. One of the constant themes of that program was that every issue that we were facing demanded some sort of a tax increase to go off and fix it, and you know, here we are. Everyone has filled out their tax forms, and hopefully, has an appreciation of this. We are paying a lot in our taxes right now, and there is very little motivation to look at the other side of the ledger and look at how you reduce and rein in expenses.

That's what happens out in the private sector. That's what happens out in our homes. We actually look at ways to streamline our expenses. When I first switched over here and worked in the Legislature, my wife and I had to get rid of cable TV to meet the expenses every single day. We were in debt from our campaign run. Sometimes you have to make those tough choices.

I just want to express an appreciation, especially in context of the upcoming election that we have. There are people who are already talking about that if this ballot proposal goes down that the only way to fix our roads is to increase taxes. I am here to say that there are many ways to fix the roads that don't involve raising our taxes one percentage point. It is about time that we had an adult conversation about the expense side of the ledger and not simply focus all the discussions on the revenue side. That is all we seem to talk about.

Please join me, colleagues. Let's start looking at the other side of the ledger. I know that there are a lot more line items over there than there is on the revenue. It's a lot easier to get your arms around the revenue side, but it is important for our people to stop pinching their pockets and actually start pinching the government's pockets and try to find more effective ways of using the money that we already put into the system.

Committee Reports

COMMITTEE ATTENDANCE REPORT

The Committee on Education submitted the following:

Meeting held on Tuesday, April 14, 2015, at 8:30 a.m., Room 110, Farnum Building

Present: Senators Pavlov (C), Knollenberg, Booher, Colbeck and Knezek

COMMITTEE ATTENDANCE REPORT

The Committee on Banking and Financial Institutions submitted the following:
Meeting held on Tuesday, April 14, 2015, at 2:30 p.m., Room 100, Farnum Building
Present: Senators Booher (C), O'Brien, Nofs, Zorn, MacGregor, Rocca and Hertel
Excused: Senator Smith

COMMITTEE ATTENDANCE REPORT

The Committee on Commerce submitted the following:
Meeting held on Wednesday, April 15, 2015, at 8:30 a.m., Room 210, Farnum Building
Present: Senators Schmidt (C), Kowall, MacGregor, Nofs and Hertel

Scheduled Meetings

Elections and Government Reform - Thursday, April 16, 9:00 a.m., Rooms 402 and 403, Capitol Building (373-1721)

Energy and Technology - Thursday, April 16, 12:30 p.m., Senate Hearing Room, Ground Floor, Boji Tower (373-1721)

Michigan Law Revision Commission - Wednesday, May 13, 11:30 a.m., Legislative Council Conference Room, 3rd Floor, Boji Tower (373-0212)

State Drug Treatment Court Advisory Committee - Tuesday, April 21, 10:00 a.m., Legislative Council Conference Room, 3rd Floor, Boji Tower (373-0212)

Veterans, Military Affairs and Homeland Security - Thursday, April 16, 2:00 p.m., Room 110, Farnum Building (373-5314)

Senator Kowall moved that the Senate adjourn.
The motion prevailed, the time being 11:31 a.m.

The President, Lieutenant Governor Calley, declared the Senate adjourned until Thursday, April 16, 2015, at 10:00 a.m.

JEFFREY F. COBB
Secretary of the Senate

