

No. 7
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House Chamber, Lansing, Thursday, February 4, 1999.

12:00 Noon.

The House was called to order by the Speaker Pro Tempore.

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

Allen—present	Frank—present	Kuipers—present	Rison—excused
Baird—present	Garcia—present	Kukuk—present	Rivet—present
Basham—present	Garza—present	LaForge—present	Rocca—present
Birkholz—present	Geiger—present	LaSata—present	Sanborn—present
Bisbee—present	Gielegghem—present	Law—present	Schauer—present
Bishop—present	Gilbert—present	Lemmons—present	Schermesser—present
Bogardus—present	Godchaux—present	Lockwood—present	Scott—present
Bovin—present	Gosselin—present	Mans—excused	Scranton—present
Bradstreet—present	Green—present	Martinez—present	Shackleton—present
Brater—present	Hager—present	Mead—present	Sheltrown—present
Brewer—present	Hale—present	Middaugh—present	Shulman—present
Brown, Bob—present	Hanley—present	Minore—present	Spade—present
Brown, Cameron—present	Hansen—present	Mortimer—present	Stallworth—present
Byl—present	Hardman—present	Neumann—present	Stamas—present
Callahan—present	Hart—present	O’Neil—present	Switalski—present
Cassis—present	Howell—present	Pappageorge—present	Tabor—present
Caul—present	Jacobs—present	Patterson—present	Tesanovich—present
Cherry—present	Jamnack—present	Perricone—present	Thomas—present
Clark—present	Jansen—present	Pestka—present	Toy—present
Clarke—present	Jelinek—present	Price—present	Vander Roest—present
Daniels—present	Jellema—present	Prusi—present	Van Woerkom—present
DeHart—present	Johnson, Rick—present	Pumford—present	Vaughn—present
Dennis—present	Johnson, Ruth—present	Quarles—present	Vear—present
DeRossett—present	Julian—present	Raczkowski—present	Voorhees—present
DeVuyst—present	Kelly—present	Reeves—present	Wojno—present
DeWeese—present	Kilpatrick—present	Richardville—present	Woodward—present
Ehardt—present	Koetje—present	Richner—present	Woronchak—present
Faunce—present	Kowall—present		

e/d/s = entered during session

Rep. Ken Bradstreet, from the 105th District, offered the following invocation:

“Father, thank You for the blessings that You have given this great country and this great state. We thank You for the fact that literally the first order of business in this House is to acknowledge You and to seek Your assistance and we know that around the world and many places that is not the case. People are persecuted for their faith everyday and so we thank You for the blessings of liberty. We are humbled today that You have called us to this task, and yet we are comforted by Your word where it says that ‘when You call us to a task that You are faithful in giving us the means to do what You have called us to do’. And so we ask You today for Your wisdom, and we ask You Father that You give us a heart of compassion because our actions in this body have a number of effects on a number of people. So we just pray that You would give us compassion, give us the courage of our convictions that we would not be swayed by political considerations, but that we would honor You in everything that we do this day. And praise You in the name of Jesus Christ, Our Lord and Our Savior. Amen.”

Rep. Scott moved that Reps. Rison and Mans be excused from today’s session.
The motion prevailed.

Rep. Scranton asked and obtained an excuse from the balance of today’s session.

Rep. Raczkowski moved that House Committees be given leave to meet during the balance of today’s session.
The motion prevailed.

Motions and Resolutions

Reps. Gosselin, Howell, Julian, Middaugh, Kuipers, Voorhees, Birkholz, Cameron Brown, Spade, Green, Kukuk, Garcia, DeHart, Kowall, Baird, Wojno, Schermesser, Schauer, LaSata, Rick Johnson, Allen, Richner, Shackleton, Jansen, Pappageorge, Cassis, Raczkowski, Caul, DeVuyst, Rocca, Jelinek, Jellema, Tesanovich, Toy, Tabor, Perricone, Koetje, Van Woerkom, Scott, Vaughn, Kilpatrick, Ehardt and Bishop offered the following resolution:

House Resolution No. 12.

A resolution supporting the celebration of the National Day of Prayer throughout the State of Michigan on May 6, 1999.

Whereas, The United States is founded on a tradition of religious tolerance which dates back to our earliest antecedents as colonies of religious dissidents seeking a place where they could worship without fear of persecution, and our history is characterized by social and political leaders who were uninhibited in their public expressions of faith, as typified by the following examples:

The Mayflower Compact, written in 1620, stated, “Having undertaken for the glory of God . . . we solemnly and mutually in the presence of God and one another, covenant ourselves together.”

At the Constitutional Convention in July of 1787, Benjamin Franklin said: “And the longer I live, the more convincing proofs I see of this truth: that God governs the affairs of men...And without his concurring aid we shall succeed in this political building no better than the builders of the Tower of Babel.”

Our nation’s first president, George Washington said in his Farewell Address of 1796, “Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports.” Thomas Jefferson, our nation’s third president said: Can the liberties of a nation be secure, when we have removed the conviction that these liberties are the gift of God?”

On April 30, 1863 during the Day of Humiliation, Fasting and Prayer, President Abraham Lincoln reminded Americans of their faith: “It is the duty of nations as well as men to own their dependence upon God; to confess their sins and transgressions in humble sorrow...Those nations only are blessed whose God is the Lord.”

The fourth verse of our Nation’s National Anthem, “The Star Spangled Banner,” “Blessed with victory and peace, may the Heaven-rescued land. Praise the Power that hath made and preserved us a nation! Then conquer we must, when our cause is just; And this be our motto, ‘In God is our trust!’ ”

At the swearing in of Calvin Coolidge as the 30th President of the United States, he said, “The foundations of our society and our government rest so much on the teachings of the Bible that it would be difficult to support them if faith in these teachings would ease to be practically universal in our country.”

President Ronald Reagan said: "If we ever forget that we are One Nation Under God, then we will be a Nation gone under."

; and

Whereas, The National Day of Prayer was established in 1952 by a Joint Resolution of Congress, which stated, "From its beginning the United States of America has been a nation fully cognizant of the value and power of prayer...Prayer has indeed been a vital force in the growth and development of this Nation"; now, therefore, be it

Resolved by the House of Representatives, That we support the celebration of the National Day of Prayer throughout the State of Michigan on May 6, 1999; and be it further

Resolved, That copies of this resolution be transmitted to the coordinators of this event as evidence of our support.

Pending the reference of the resolution to a committee,

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

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

The question being on the adoption of the resolution,

The resolution was adopted.

Reports of Standing Committees

COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Law, Chair of the Committee on Health Policy, was received and read:

Meeting held on: Thursday, February 4, 1999, at 9:00 a.m.,

Present: Reps. Law, DeWeese, DeRossett, Ehardt, Gosselin, Green, Ruth Johnson, Raczkowski, Rocca, Vear, Schauer, Baird, Dennis, Jacobs, Neumann, Reeves, Woodward.

COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Faunce, Chair of the Committee on Criminal Law and Corrections, was received and read:

Meeting held on: Thursday, February 4, 1999, at 10:30 a.m.,

Present: Reps. Faunce, Howell, Bishop, Julian, Richner, Sanborn, Shulman, Baird, Callahan, Jacobs, O'Neil.

COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Rick Johnson, Chair of the Committee on Transportation, was received and read:

Meeting held on: Thursday, February 4, 1999, at 10:30 a.m.,

Present: Reps. Rick Johnson, Gilbert, DeVuyst, Garcia, Hart, Ruth Johnson, Middaugh, Patterson, Shackleton, Tabor, Kilpatrick, Bovin, Brewer, Jamnick, Lemmons, Reeves, Schermesser.

COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Middaugh, Chair of the Committee on Energy and Technology, was received and read:

Meeting held on: Thursday, February 4, 1999, at 1:00 p.m.,

Present: Reps. Middaugh, Bradstreet, Birkholz, Bisbee, Cassis, Garcia, Gosselin, Howell, Kowall, Kuipers, Richardville, Shulman, Thomas, Bob Brown, Daniels, Hansen, Lemmons, Neumann, Quarles, Schauer, Woodward.

Announcement by the Clerk of Printing and Enrollment

The Clerk announced that the following bills had been printed and placed upon the files of the members, Tuesday, February 2:

Senate Bill Nos.	67	160	161	162	163	164	165	166	167	168	169	170	171	172
	174	175	176	177	178	179	180	181	182	183	217			

Messages from the Governor

The following message from the Governor was received February 3, 1999 and read:

EXECUTIVE ORDER

No. 1999 - 1

Department of The Michigan Jobs Commission Department of Management And Budget Michigan Strategic Fund

Michigan Economic Development Corporation Department of Career Development

Executive Reorganization

WHEREAS, Article V, Section 2, of the Constitution of the state of Michigan of 1963 empowers the Governor to make changes in the organization or in the assignment of functions among its units which he considers necessary for efficient administration; and

WHEREAS, Article V, Section 8, of the Constitution of the state of Michigan of 1963 provides that each principal department shall be under the supervision of the Governor, unless otherwise provided by the Constitution; and

WHEREAS, Article V, Section 1, of the Constitution of the state of Michigan of 1963 vests the executive power in the Governor; and

WHEREAS, Michigan's already successful economic development programs will benefit from greater consolidation and can continue to improve its effectiveness and efficiency; and

WHEREAS, successful state economic development programs require long-term continuity, yet maximum flexibility to compete effectively in the national and international market place; and

WHEREAS, successful state economic development programs can further be improved by enhanced cooperation with local economic development programs; and

WHEREAS, the authority for the Michigan Strategic Fund to enter into interlocal agreements includes: Article VII, Section 28 of the Constitution of the state of Michigan of 1963, the Michigan Strategic Fund Act, Act No. 270 of the Public Acts of 1984, as amended, being Sections 125.2001 *et seq.* of the Michigan Compiled Laws, and the Urban Cooperation Act, Act No. 7 of the Public Acts of 1967, Ex. Sess., as amended, being Sections 124.501 *et seq.* of the Michigan Compiled Laws; and

WHEREAS, providing Michigan citizens with career development and training opportunities will allow them to succeed in life and will strengthen Michigan's reputation as the state with the most highly skilled people; and

WHEREAS, the state can effectively and efficiently carry out this function by establishing a new principal department, the Department of Career Development.

NOW, THEREFORE, I, John Engler, Governor of the state of Michigan, pursuant to the powers vested in me by the Constitution of the state of Michigan of 1963 and the laws of the state of Michigan, do hereby Order the following:

I. DEFINITIONS

As used herein:

A. The Michigan Jobs Commission means the temporary agency created under Executive Order 1993-2.

B. The Department of the Michigan Jobs Commission means the principal department created in Executive Order 1994-26.

C. The Michigan Strategic Fund means the entity created under Act 270 of 1984, as amended, being Section 125.2001 *et seq.* of the Michigan Compiled Laws and includes the Michigan Strategic Fund Board.

II. TRANSFER OF THE MICHIGAN STRATEGIC FUND TO THE DEPARTMENT OF MANAGEMENT AND BUDGET

A. The Michigan Strategic Fund, created pursuant to the Michigan Strategic Fund Act, Act No. 270 of the Public Acts of 1984, as amended, being Section 125.2001 *et seq.* of the Michigan Compiled Laws, with all its statutory authority, powers, duties, and functions, records, personnel, property, unexpended balances of appropriations, allocations or other funds, including the functions of budgeting, procurement, personnel and management related functions, as constituted by Section III of this Executive Order, is hereby transferred to and shall be an autonomous entity in the Department of Management and Budget, without qualification as to type in the same manner as the Michigan Employment Security Commission was designated an autonomous entity within the Michigan Department of Labor pursuant to the Executive Organization Act of 1965, Section 379 of Act No. 380 of the Public Acts of 1965, being Section 16.479 of the Michigan Compiled Laws. This transfer includes, but is not limited to, bond, note, loan,

grant, reserve and trust funds, subject to any agreement with note and bond holders, borrowers, grant recipients, or contract holders.

B. All administrative or housekeeping functions, including budgeting, procurement, personnel and management related functions of the Michigan Strategic Fund as contained in the Michigan Strategic Fund Act, Sections 6, 7 and 24 of Act No. 270 of the Public Acts of 1985, as amended, being Sections 125.2006, 125.2007 and 125.2024 of the Michigan Compiled Laws shall be performed under the direction and supervision of the president of the Michigan Strategic Fund. The Michigan Strategic Fund president shall be the appointing authority for employees of the Michigan Strategic Fund.

C. The director of the Department of the Michigan Jobs Commission shall develop and implement a plan to separate the functions transferred to the Strategic Fund by this Executive Order from the remaining functions of the department. The director of the Department of the Michigan Jobs Commission shall provide executive direction and supervision for implementation of the transfers contained in this Executive Order. The administrative unit of the Department of the Michigan Jobs Commission, including budget, personnel, information systems, internal audit, procurement, legislative, public affairs, executive office, finance and office services and other related administrative functions, shall be separated in a manner that the director deems best serves the ongoing need for these services by the Michigan Strategic Fund and the remainder of the Department of the Michigan Jobs Commission.

D. As of the effective date of this Executive Order, the Board position designated in Section 2005(3) of the Michigan Strategic Fund Act, Act No. 270 of 1984, as amended, being Section 125.2005(3) of the Michigan Compiled Laws, for the Director of the Department of Commerce, which was transferred to the Director of the Department of the Michigan Jobs Commission by Executive Order 1994-26 is hereby transferred to the Director of the Department of Management and Budget.

E. All records, personnel, property and unexpended balances of appropriations, allocations and other funds used, held, employed, available or to be made available to the Department of the Michigan Jobs Commission for the activities, powers, duties, functions and responsibilities transferred by this Order are hereby transferred to the Michigan Strategic Fund.

F. All rules, orders, contracts and agreements relating to the functions transferred to the Michigan Strategic Fund lawfully adopted prior to the effective date of this Order shall continue to be effective until revised, amended or repealed.

G. Any suit, action or other proceeding lawfully commenced by, against or before any entity affected by this Order shall not abate by reason of the taking effect of this Order.

III. CONSOLIDATION OF ECONOMIC DEVELOPMENT FUNCTIONS INTO THE MICHIGAN STRATEGIC FUND

A. Pursuant to Article V, Section 2 of the Constitution of the state of Michigan of 1963, all the statutory authority, powers, duties, and functions, records, personnel, property, unexpended balances of appropriations, allocations, grants or other funds, including the functions of budgeting, procurement, personnel and management related functions of the following enumerated programs and functions are transferred to and reorganized into the Michigan Strategic Fund.

1. Michigan Economic Growth Authority

The Michigan Economic Growth Authority, created pursuant to the Michigan Economic Growth Authority Act, Act No. 24 of the Public Acts of 1995, as amended, being Section 207.801 *et seq.* of the Michigan Compiled Laws, and all of its statutory authority, powers, duties, functions and responsibilities, including the functions of budgeting, procurement, personnel and management related functions, are transferred to the Michigan Strategic Fund. The Michigan Economic Growth Authority shall exercise the prescribed statutory powers, duties and functions including the prescription of rules and adjudication independently of the Michigan Strategic Fund.

2. Plant Rehabilitation and Industrial Development Districts

All the authority, powers, duties, functions and responsibilities, including the functions of budgeting, procurement, personnel and management related functions of the Department of Commerce under Act No. 198 of the Public Acts of 1974, being Sections 207.551 *et seq.* of the Michigan Compiled Laws, which were transferred to the Chief Executive Officer of the Michigan Jobs Commission by Executive Order 1994-14 and subsequently transferred by Executive Order 1994-26 to the Department of the Michigan Jobs Commission are hereby transferred to the president of the Michigan Strategic Fund.

3. State Education Tax Exclusion

All the authority, powers, duties, functions and responsibilities, including the functions of budgeting, procurement, personnel and management related functions of the State Treasurer to grant exclusions from the State Education Tax under Section 14a of Act No. 198 of the Public Acts of 1974, as amended, being Section 207.564a of the Michigan Compiled Laws, transferred to the Chief Executive Officer of the Michigan Jobs Commission under Executive Order 1995-2 are hereby transferred to the president of the Michigan Strategic Fund.

4. Personal Property Tax Exemption

All the authority, powers, duties, functions and responsibilities, including the functions of budgeting, procurement, personnel and management related functions of the Department of the Michigan Jobs Commission under Act No. 328

of the Public Acts of 1998, being Section 211.9f of the Michigan Compiled Laws, are hereby transferred to the president of the Michigan Strategic Fund.

5. Community Development Block Grants

All the authority, powers, duties, functions, grants and responsibilities, including the functions of budgeting, procurement, personnel and management related functions of the federal Community Block Grant program operated by the Department of Commerce pursuant to Title I of the Housing and Community Development Act of 1974, as amended, being 42 USC 5300 *et seq.*, commonly known as the Michigan Community Development Block Grant Program, transferred by Executive Order 1994-26 to the Department of the Michigan Jobs Commission are hereby transferred to the Michigan Strategic Fund.

6. Economic Development Job Training

All the authority, powers, duties, functions, grants and responsibilities, including the functions of budgeting, procurement, personnel and management related functions of the Department of the Michigan Jobs Commission to review applications and award grants under the Economic Development Job Training program provided for in Act No. 306 of the Public Acts of 1998, Executive Order 1993-3 and Executive Order 1994-26 are hereby transferred to the Michigan Strategic Fund. The functions performed by the Office of Economic Development Job Training and the related staff and funding sources, including all workforce development and recruitment specialists positions and funding sources, including any Employment Service Agency staff assigned to this program, along with the federal funding for their positions, are hereby transferred to the Michigan Strategic Fund. The Chief Executive Officer of the Department of the Michigan Jobs Commission and the Director of the Employment Service Agency shall jointly determine the positions to be transferred.

7. Department of Economic Expansion

All the authority, powers, duties, functions and responsibilities, including the functions of budgeting, procurement, personnel and management related functions of the Department of Economic Expansion and the Economic Expansion Council created under Act No. 116 of the Public Acts of 1963, as amended, being Section 125.1201 *et seq.* of the Michigan Compiled Laws, transferred to the Department of Commerce pursuant to Section 332 of the Executive Organization Act of 1965, Act No. 380 of the Public Acts of 1965, as amended, being section 16.332 of the Michigan Compiled Laws, transferred to the Chief Executive Officer of the Michigan Jobs Commission by Executive Order 1993-9, transferred to the Department of the Michigan Jobs Commission by Executive Order 1994-26 are hereby transferred to the Michigan Strategic Fund.

8. Michigan International Trade Authority

All the statutory authority, powers, duties, functions and responsibilities, including the functions of budgeting, procurement, personnel and management related functions of the Michigan International Trade Authority created as the Michigan Export Development Authority by the Michigan Export Development Authority Act, Act No. 157 of the Public Acts of 1986, as amended, being Section 447.151 *et seq.* of the Michigan Compiled Laws, renamed the Michigan International Trade Authority by Executive Order 1994-6 and as transferred from the Department of Commerce to the Department of the Michigan Jobs Commission in Executive Order 1994-26, transferred to the Michigan Jobs Commission Board by Executive Order 1995-22 are hereby transferred to the Michigan Strategic Fund.

9. Michigan Enterprise Zone Authority

All the statutory authority, powers, duties, functions and responsibilities, including the functions of budgeting, procurement, personnel and management related functions of the Michigan Enterprise Zone Authority created within the Department of Commerce under the Enterprise Zone Act, Act No. 224 of the Public Acts of 1985, as amended, being Section 125.2101 *et seq.* of the Michigan Compiled Laws, transferred by Executive Order 1994-14 to the Chief Executive Officer of the Michigan Jobs Commission, transferred by Executive Order 1994-26 to the Department of the Michigan Jobs Commission are hereby transferred to the Michigan Strategic Fund.

10. Neighborhood Enterprise Zones

All the statutory authority, powers, duties, functions and responsibilities, including the functions of budgeting, procurement, personnel and management related functions of the Michigan Enterprise Zone Authority under the Neighborhood Enterprise Zone Act, Act No. 147 of the Public Acts of 1992, as amended, being Section 207.771 *et seq.* of the Michigan Compiled Laws, transferred to the Chief Executive Officer of the Michigan Jobs Commission by Executive Order 1994-14, transferred to the Department of the Michigan Jobs Commission by Executive Order 1994-26 are hereby transferred to the Michigan Strategic Fund.

11. Michigan Urban Land Assembly Act

All the statutory authority, powers, duties, functions and responsibilities, including the functions of budgeting, procurement, personnel and management related functions of the Department of Commerce under the Michigan Urban Land Assembly Act, Act No. 171 of the Public Acts of 1981, being Section 125.1851 *et seq.* of the Michigan Compiled Laws, transferred to the Chief Executive Officer of the Michigan Jobs Commission by Executive Order 1994-14, transferred by Executive Order 1994-26 to the Department of the Michigan Jobs Commission are hereby transferred to the Michigan Strategic Fund.

12. Michigan Travel Commission

The Michigan Travel Commission, created pursuant to the Michigan Tourism Policy Act, Act No. 106 of the Public Acts of 1945, as amended, being Section 2.101 *et seq.* of the Michigan Compiled Laws, transferred from the Department of Commerce to the Department of the Michigan Jobs Commission by Executive Order 1994-26, is hereby transferred to the Michigan Strategic Fund as an advisory board to the president of the Michigan Strategic Fund.

13. Michigan Travel Bureau/Travel Michigan

All the statutory authority, powers, duties, functions and responsibilities, including the functions of budgeting, procurement, personnel and management related functions of the Michigan Travel Bureau created pursuant to the Michigan Tourism Policy Act, Act No. 106 of the Public Acts of 1945, as amended, being Section 2.101 *et seq.* of the Michigan Compiled Laws, transferred from the Department of Commerce to the Department of the Michigan Jobs Commission by Executive Order 1994-26 and renamed Travel Michigan by Executive Order 1997-1, are hereby transferred to the Michigan Strategic Fund.

14. Office of the Michigan Business Ombudsman

All the statutory authority, powers, duties, functions and responsibilities, including the functions of budgeting, procurement, personnel and management related functions of the Office of the Michigan Business Ombudsman, created in the Department of Commerce by Executive Directive 1991-12, transferred to the Department of the Michigan Jobs Commission by Executive Order 1994-26, are hereby transferred to the Michigan Strategic Fund.

15. Office of the Small Business Clean Air Ombudsman

All the statutory authority, powers, duties, functions and responsibilities, including the functions of budgeting, procurement, personnel and management related functions of the Office of the Small Business Clean Air Ombudsman along with any related funds, created pursuant to the Natural Resources and Environmental Protection Act, Sections 5701 - 5708 of Act No. 451 of the Public Acts of 1994, being Sections 324.5701 - 324.5708 of the Michigan Compiled Laws, transferred from the Department of Commerce to the Department of the Michigan Jobs Commission by Executive Order 1995-2, are hereby transferred to the Michigan Strategic Fund.

16. Michigan Renaissance Zone Act

All the statutory authority, powers, duties, functions and responsibilities, including the functions of budgeting, procurement, personnel and management related functions of the Department of the Michigan Jobs Commission under the Michigan Renaissance Zone Act created pursuant to Act No. 376 of the Public Acts of 1996, being Section 125.2681 *et seq.* of the Michigan Compiled Laws, are hereby transferred to the Michigan Strategic Fund. The position on the Renaissance Zone Review Board designated for the Chief Executive Officer of the Department of the Michigan Jobs Commission is hereby transferred to the president of the Michigan Strategic Fund.

17. Michigan Business Incubation Act

All the statutory authority, powers, duties, functions and responsibilities, including the functions of budgeting, procurement, personnel and management related functions of the Department of Commerce under the Michigan Business Incubation Act, Act No. 198 of the Public Acts of 1984, as amended, being Section 125.1571 of the Michigan Compiled Laws, and transferred from the Department of Commerce to the Chief Executive Officer of the Michigan Jobs Commission by Executive Order 1996-2, are hereby transferred to the Michigan Strategic Fund.

18. Commercial Redevelopment Act

All the statutory authority, powers, duties, functions and responsibilities, including the functions of budgeting, procurement, personnel and management related functions of the Department of Commerce under the Commercial Redevelopment Act, Act No. 255 of the Public Acts of 1978, as amended, being Sections 207.651 *et seq.* of the Michigan Compiled Laws, transferred from the Department of Commerce to the Chief Executive Officer of the Michigan Jobs Commission by Executive Order 1996-2, are hereby transferred to the Michigan Strategic Fund.

19. Economic Development Corporations Act

All the statutory authority, powers, duties, functions and responsibilities, including the functions of budgeting, procurement, personnel and management related functions, of the Department of Commerce under the Economic Development Corporations Act, Act No. 338 of the Public Acts of 1974, as amended, being Section 125.1601 *et seq.* of the Michigan Compiled Laws, transferred from the Department of Commerce to the Chief Executive Officer of the Michigan Jobs Commission by Executive Order 1996-2, are hereby transferred to the Michigan Strategic Fund.

20. Office of Film and Television Services

All the authority, powers, duties, functions and responsibilities, including the functions of budgeting, procurement, personnel and management related functions of the Office of Film and Television Services, created within the Department of Commerce by Executive Directive 1979-3, continued by Executive Order 1984-8 and transferred from the Department of Commerce to the Department of the Michigan Jobs Commission by Executive Order 1994-26, are hereby transferred to the Michigan Strategic Fund.

21. Economic Development Transportation Projects

Operator and Chauffeur license fees collected under Section 819 of Act No. 300 of the Public Acts of 1949, as amended, being Section 257.819 of the Michigan Compiled Laws are hereby transferred to the Michigan Strategic Fund to be used for economic development transportation projects.

22. Other Programs

All the statutory authority, powers, duties, functions and responsibilities, including budgeting, procurement, personnel and management related functions of the following programs are hereby transferred to the Michigan Strategic Fund:

a. The Michigan Training Incentive Fund, transferred to the Department of the Michigan Jobs Commission by Executive Order 1994-26;

b. The Minority, Women and Small Business Services units, created pursuant to Act No. 165 of 1975, being Section 125.1221 *et seq.*, of the Michigan Compiled Laws and transferred to the Department of the Michigan Jobs Commission by Executive Order 1994-26;

c. The Capital Resources Group, created pursuant to the Michigan Strategic Fund Act, Act No. 270 of the Public Acts of 1984, being Section 125.2001 *et seq.* of the Michigan Compiled Laws, transferred to the Department of the Michigan Jobs Commission by Executive Order 1994-26;

d. The Office of Business and Education Coordination and the Sales Unit of the Development Services Division transferred from the Department of Commerce to the Department of the Michigan Jobs Commission by Executive Order 1994-26;

e. The K. I. Sawyer Conversion Authority created by Executive Order 1993-16 and transferred from the Department of Commerce to the Department of the Michigan Jobs Commission by Executive Order 1994-26; and

f. The Wurtsmith Conversion Authority created by Executive Order 1991-37 and transferred from the Department of Commerce to the Department of the Michigan Jobs Commission by Executive Order 1994-26.

B. All records, personnel, property and unexpended balances of appropriations, allocations, grants and other funds used, held, employed, available or to be made available to the Department of the Michigan Jobs Commission for the activities, powers, duties, functions and responsibilities transferred by this Order are hereby transferred to the Michigan Strategic Fund.

C. All rules, orders, contracts and agreements relating to the functions transferred to the Michigan Strategic Fund lawfully adopted prior to the effective date of this Order shall continue to be effective until revised, amended or repealed.

D. Any suit, action or other proceeding lawfully commenced by, against or before any entity affected by this Order shall not abate by reason of the taking effect of this Order.

IV. MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

A. The Michigan Strategic Fund may enter into an interlocal agreement with one or more local public agencies pursuant to the Urban Cooperation Act of 1967, Act No. 7 of 1967, Ex. Sess., as amended, being Section 124.501 *et seq.*, of the Michigan Compiled Laws, to provide for a public body corporate, to be called the Michigan Economic Development Corporation (the "Corporation").

A purpose of the Corporation shall include the joint exercise of shared power, privilege or authority of the Michigan Strategic Fund and the local public agencies to perform successful, effective and efficient economic development programs and functions. Shared powers shall include the coordination of complimentary, applicable state and local economic development programs and functions.

Pursuant to the joint exercise of shared power, privilege or authority, the interlocal agreement may provide for the Corporation to solicit and to accept grants, donations or transfers of personnel, services, facilities, property, franchises or funds from the United States, the state of Michigan, any political subdivision, department or agency of the state of Michigan, corporations, agencies, organizations, associations or any other person, either public or private.

The interlocal agreement may provide that the Michigan Strategic Fund contribute any such personnel, services, facilities, property, franchises, powers, responsibilities or funds to the Corporation as permitted by law and as are necessary to carry out the purposes of this Executive Order, with the exception of all taxable and tax exempt bond issuance authority. Whenever Michigan Strategic Fund personnel, services, facilities, property, franchises or funds contributed to the Corporation require annual appropriation, any obligation of the Michigan Strategic Fund created pursuant to the interlocal agreement shall be likewise conditioned upon annual appropriations. The interlocal agreement shall provide that state civil service employees detailed to the Corporation shall continue in the state classified service and in the state benefit system including wages, pension, seniority, sick leave, vacation, health, welfare and other benefits.

B. All departments, boards, commissions or officers of the state or of any political subdivision thereof shall give the Michigan Economic Development Corporation, or to any member or representative thereof, any necessary assistance required by the Michigan Economic Development Corporation or any member or representative thereof, in the performance of the functions, duties and responsibilities of the Michigan Economic Development Corporation.

V. CREATION OF THE DEPARTMENT OF CAREER DEVELOPMENT

A. The Department of Career Development is hereby created. All the remaining authority, powers, duties, functions, responsibilities and personnel of the Department of the Michigan Jobs Commission are transferred to the Department of Career Development. This department shall be headed by a Director who shall be appointed by and serve at the pleasure of the Governor.

B. The following programs and functions are hereby transferred from the Department of the Michigan Jobs Commission to the Department of Career Development:

1. All the authority, powers, duties, functions and responsibilities of the Council of Career Preparation Standards, created by Executive Order 1997-15 and funded under the State School Aid Act of 1979, Section 67 of Act No. 94 of the Public Acts of 1979, as amended, being Section 388.1667 of the Michigan Compiled Laws, are hereby transferred by a Type II transfer to the Department of Career Development.

2. All the authority, powers, duties, functions and responsibilities of the Governor's Workforce Commission, created by Executive Order 1994-26, Section VII, are hereby transferred by a Type II transfer to the Department of Career Development. The position on the Governor's Workforce Commission designated for the Michigan Jobs Commission Chief Executive Officer is transferred to the president of the Michigan Strategic Fund. The position on the Governor's Workforce Commission designated for the Vice President for Workforce Development is transferred to the Director of the Department of Career Development.

3. All the authority, powers, duties, functions and responsibilities of the State Board of Education for the Michigan Rehabilitative Services, pursuant to the Rehabilitation Act, Act No. 232 of the Public Acts of 1964, as amended, being Section 395.81 *et seq.* of the Michigan Compiled Laws; Act No. 111 of the Public Acts of 1952, as amended, being Section 395.151 *et seq.* of the Michigan Compiled Laws; the Worker's Disability Compensation Act of 1969, Act No. 317 of the Public Acts of 1969, as amended, being Section 418.101 *et seq.*, of the Michigan Compiled Laws, and the federal Rehabilitation Act of 1973, 29 USC 701 *et seq.*, transferred to the Michigan Jobs Commission by Executive Order 1994-26, are hereby transferred by a Type III transfer to the Department of Career Development.

4. All the authority, powers, duties, functions and responsibilities of the Michigan Rehabilitation Advisory Council established within the Department of the Michigan Jobs Commission by Executive Order 1994-20 are hereby transferred by a Type II transfer to the Department of Career Development.

5. All the authority, powers, duties, functions and responsibilities of the Federal JOBS Program, Work First and Grant Diversion programs, transferred to the Department of the Michigan Jobs Commission by Executive Order 1994-26, are hereby transferred by a Type III transfer to the Department of Career Development.

6. All the authority, powers, duties, functions and responsibilities of the Michigan Community Service Commission, pursuant to Act No. 219 of the Public Acts of 1994, being Section 408.221 *et seq.*, of the Michigan Compiled Laws, are hereby transferred by a Type II transfer to the Department of Career Development.

7. All the authority, powers, duties, functions and responsibilities of the Governor's Office for Job Training, transferred to the Department of the Michigan Jobs Commission by Executive Order 1994-26, are hereby transferred by a Type III transfer to the Department of Career Development.

8. All the authority, powers, duties, functions and responsibilities of the Displaced Homemaker Program transferred to the Department of the Michigan Jobs Commission by Executive Order 1994-26, are hereby transferred by a Type III transfer to the Department of Career Development.

9. All the authority, powers, duties, functions and responsibilities of the Michigan Occupational Information Coordinating Committee, transferred to the Department of the Michigan Jobs Commission by Executive Order 1994-26, are hereby transferred by a Type III transfer to the Director of Department of Career Development.

10. All the authority, powers, duties, functions and responsibilities, including the functions of budgeting, procurement and management-related functions of the Michigan Transition Initiative, transferred to the Department of the Michigan Jobs Commission by Executive Order 1994-26, are hereby transferred by a Type III transfer to the Department of Career Development.

11. All the authority, powers, duties, functions and responsibilities of the Michigan Occupational Information System transferred to the Michigan Jobs Commission by Executive Order 1994-26, are hereby transferred by a Type II transfer to the Department of Career Development.

12. All the authority, powers, duties, functions and responsibilities of the Department of Corrections Job Training Programs transferred to the Michigan Jobs Commission by Executive Order 1994-26, are hereby transferred by a Type III transfer to the Department of Career Development.

13. All the authority, powers, duties, functions and responsibilities of the Employment Service Agency not transferred to the Michigan Strategic Fund as described in III. A.6, established pursuant to the Michigan Employment Security Act, Act No. 1 of the Public Acts of 1936, Ex. Sess., as amended, being Section 421.1 *et seq.* of the Michigan Compiled Laws, as modified by Executive Order 1997-12 and Executive Order 1997-18, are hereby transferred by a Type I transfer to the Department of Career Development. Finance, information technology and other general administrative employees of the Employment Service Agency and their funding shall transfer from the Employment Service Agency to the Department of Career Development. The Department of the Michigan Jobs Commission Chief Executive Officer and the Employment Service Agency Director shall jointly determine the positions to be transferred.

14. Any other authority, powers, duties, functions and responsibilities, including the functions of budgeting, procurement and management not transferred to the Michigan Strategic Fund or the president of the Michigan Strategic Fund by this Order or by statute, are hereby transferred to the Department of Career Development.

C. All records, personnel, property, grants and unexpended balances of appropriations, allocations and other funds used, held, employed, available or to be made available to the Department of the Michigan Jobs Commission for the activities, powers, duties, functions and responsibilities transferred by Section V of this Order are hereby transferred to the Department of Career Development.

D. All rules, orders, contracts, grants and agreements relating to the functions transferred to the Department of Career Development lawfully adopted prior to the effective date of this Order shall continue to be effective until revised, amended or repealed.

E. Any suit, action or other proceeding lawfully commenced by, against or before any entity affected by this Order shall not abate by reason of the taking effect of this Order.

VI. Miscellaneous

A. The position on the Brownfield Redevelopment Board created by the Natural Resources and Environmental Protection Act, Act No. 451 of the Public Acts of 1994, at Section 324.20104a of the Michigan Compiled Laws, designated for the Chief Executive Officer of the Department of the Michigan Jobs Commission is hereby transferred to the president of the Michigan Strategic Fund.

B. The Michigan Jobs Commission Board, the Department of the Michigan Jobs Commission, and the Michigan Jobs Commission are hereby abolished as of the effective date of this Executive Order.

C. The Department of Management and Budget shall determine and authorize the most efficient manner possible for handling financial transactions

and records in the state's financial management system for the remainder of this fiscal year.

D. The invalidity of any portion of this Order shall not affect the validity of the remainder thereof.

This Executive Order shall become effective Monday, April 5, 1999.

[SEAL]

Given under my hand and the Great Seal of the State of Michigan this third day of February, in the Year of our Lord, One Thousand Nine Hundred Ninety-Nine.

John Engler

Governor

By the Governor:

Candice S. Miller

Secretary of State

The message was referred to the Clerk.

Rep. Vear moved that the House adjourn.

The motion prevailed, the time being 4:45 p.m.

The Speaker Pro Tempore declared the House adjourned until Tuesday, February 9, at 2:00 p.m.

GARY L. RANDALL

Clerk of the House of Representatives.