

No. 3
JOURNAL OF THE SENATE

Senate Chamber, Lansing, Tuesday, January 25, 2000.

10:00 a.m.

The Senate was called to order by the Assistant President pro tempore, Senator Philip E. Hoffman.

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

Bennett—present
Bullard—present
Byrum—present
Cherry—present
DeBeaussaert—present
DeGrow—present
Dingell—present
Dunaskiss—present
Emerson—present
Emmons—present
Gast—present
Goschka—present
Gougeon—present

Hammerstrom—present
Hart—present
Hoffman—present
Jaye—present
Johnson—present
Koivisto—present
Leland—present
McCotter—present
McManus—present
Miller—present
Murphy—present
North—present
Peters—present

Rogers—present
Schuette—present
Schwarz—present
Shugars—present
Sikkema—present
A. Smith—excused
V. Smith—excused
Steil—present
Stille—present
Van Regenmorter—present
Vaughn—excused
Young—present

Senator Kenneth R. Sikkema of the 31st District offered the following invocation:

Lord, through Your prophet Jeremiah, You said many years ago, "Call to Me, and I will answer you and tell you great and unsearchable things that you do not know."

So this morning, we do call on You, resting on Your promise that You will answer and that You will show us the possibilities that we cannot even imagine. Open our hearts and minds to the possibilities of our positions as Senators and legislators and to the possibilities of public service. We ask You to open our hearts and minds to the possibilities of working together without regard to partisan affiliation or ideological differences. We ask that You open our hearts and minds to the possibilities of this new year and to the possibilities of this time and place in Michigan history.

This we ask, and more, in Your name. Amen.

Motions and Communications

Senators Schuette, DeGrow and Bullard entered the Senate Chamber.

The following communications were received:

Department of State

Administrative Rules Notices of Filing

December 20, 1999

In accordance with the provisions of Section 46(1) of Act 306, Public Acts of 1969, as amended, and Executive Order 1995-6, this is to advise you that the Office of Regulatory Reform, Legal Division filed at 11:35 a.m. this date, administrative rule (99-12-08) for the Department of Environmental Quality, Environmental Assistance Division, entitled "*Small Business Pollution Prevention Assistance*," effective 15 days hereafter.

Sincerely,
Candice S. Miller
Secretary of State
Helen Kruger, Supervisor
Office of the Great Seal

January 11, 2000

In accordance with the provisions of Section 46(1) of Act 306, Public Acts of 1969, as amended, and Executive Order 1995-6, this is to advise you that the Office of Regulatory Reform, Legal Division filed at 10:38 a.m. this date, administrative rule (00-01-03) for the Department of Consumer and Industry Services, Director's Office, entitled "*Boilers*," effective 15 days hereafter.

Sincerely,
Candice S. Miller
Secretary of State
James Fackler, Acting Supervisor
Office of the Great Seal

The communications were referred to the Secretary for record.

The following communication was received:

Department of Transportation

January 14, 2000

Public Act 1993 Number 69 titled, "Michigan Heritage Routes" requires the Michigan Department of Transportation (MDOT) to report to the Governor those routes designated as Michigan Heritage Routes during the preceding year.

We are pleased to report that M-1 (Woodward Avenue) from the City of Pontiac to Jefferson Avenue in downtown Detroit has been designated as a Michigan Heritage route. Local governmental agencies, businesses, community groups, and MDOT have drawn together to preserve, enhance, and promote this route as one of the finest examples of a unique travel experience in the state.

This addition brings the total number of designated Heritage Routes to eight. Included: sections of US-41 in Keweenaw County, sections of M-123 in Chippewa and Luce Counties, M-119 in Emmet County, M-125 in the City of Monroe, M-25 (Center Street) in Bay City, M-179 in Allegan and Berry Counties and M-15 in Oakland, Genesee, Tuscola, Saginaw and Bay Counties.

The Heritage Route Program is a worthwhile endeavor to identify, protect, enhance, and promote unique state trunklines. We invite you to share our enthusiasm.

Sincerely,
James R. DeSana
Director

The communication was referred to the Secretary for record.

The following communication was received:
Department of Consumer and Industry Services

January 18, 2000

Pursuant to Section 315 of P.A. 122 of 1999, we are enclosing copies of the following reports:

Sequoiah Center—CA47021

Special Investigation Report #9C0115001

Special Investigation Report #9C0115016

Special Investigation Report #9C0115024

Summit Center—CA47020

Special Investigation Report #9C103024

Parmenter Residential Care Center—CA09039

Interim Evaluation

These reports were performed in compliance with the requirements of P.A. 116 of 1973 as amended, and the administrative rules for child caring institutions.

If you have any questions regarding this information, please feel free to contact me at 373-3892.

Sincerely,
John R. Suckow, C.P.A.
Director, Finance and Administrative Services

The communication was referred to the Secretary for record.

The following communication was received:
Office of the Auditor General

January 21, 2000

Enclosed is a copy of the following audit report and/or executive digest:

Performance Audit of the Bilingual, Migrant, and Selected King-Chavez-Parks Initiative Programs, Department of Education, January 2000.

Sincerely,
Thomas H. McTavish, C.P.A.
Auditor General

The communication was referred to the Secretary for record.

The Secretary announced the printing and placement in the members' files on Thursday, January 20, of:

House Bill Nos. 5222 5223 5224 5225 5226 5227

House Joint Resolution M

Senator Emerson moved that Senators A. Smith, V. Smith and Vaughn be excused from today's session. The motion prevailed.

Senator Murphy entered the Senate Chamber.

Senator Rogers moved that Senator Schwarz be temporarily excused from today's session. The motion prevailed.

Messages from the Governor

The following messages from the Governor were received on January 24, 2000, and read:

EXECUTIVE ORDER

No. 2000 - 2

**Michigan Commission on End of Life Care
Michigan Department of Community Health**

Amendment to Executive Order 1999-4

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

Whereas, on June 11, 1999, The Michigan Commission on End of Life Care ("Commission") was established by Executive Order 1999-4; and

Whereas, the awarding of a major grant from the Robert Wood Johnson Foundation to research and advance end of life care in Michigan presents the opportunity to achieve great synergy with the mission of the Commission for the benefit of Michigan citizens; and

Whereas, the parallel purposes of the grant and the Commission's goals can best be achieved by changing the reporting deadline for the Commission; and

Whereas, the work of the Commission can be made more efficient and effective by reducing the number of commissioners.

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 that Executive Order 1999-4 be amended to read as follows:

The Michigan Commission on End of Life Care ("Commission") shall consist of 12 members to be appointed by the Governor. The Commission shall serve at the pleasure of the Governor. The Governor shall designate one (1) member of the Commission to serve as its chair and who shall serve as chair at the pleasure of the Governor. Members of the Commission shall attend Commission meetings in person, and shall not delegate their responsibilities to other persons.

No later than February 1, 2001, the Commission shall issue a final report to the Governor and the Legislature containing its recommended model state and institutional policies and the rationale of the Commission supporting their adoption.

The provisions of this Executive Order shall become effective upon filing.

[SEAL]

Given under my hand and the Great Seal of the state of Michigan this 24th day of January, in the Year of our Lord, Two Thousand.

John Engler
Governor

By the Governor:
Candice S. Miller
Secretary of State

EXECUTIVE ORDER

No. 2000 - 3

**Michigan Strategic Fund
Life Sciences Corridor Board**

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

Whereas, a health and aging steering committee, generally referred to as the "Life Sciences Corridor Board" was recently established in Section 418 of Act No. 120 of the Public Acts of 1999; and

Whereas, the Life Sciences Corridor Board's purpose is to foster a network of entrepreneurial, fast-growing life science firms working in partnership with Michigan's universities and research institutions; and

Whereas, pursuant to Section 418 of Act No. 120 of the Public Acts of 1999, the Life Sciences Corridor Board consists of 14 members that are appointed by the Governor and serve at his pleasure; and

Whereas, of the 14 members, five were specifically named in statute, being the CEO of the Michigan Economic Development Corporation and one member each from Michigan State University, the University of Michigan, Wayne State University and the VanAndel Institute; and

Whereas, in order to fully utilize the input and expertise of the many and varied individuals who would like to serve on this board, it is necessary for the other nine members to serve terms of limited duration.

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:

The CEO of the Michigan Economic Development Corporation and one member each from Michigan State University, the University of Michigan, Wayne State University and the VanAndel Institute shall continue to serve on the Life Sciences Corridor Board, being Section 418 of Act No. 120 of the Public Acts of 1999 ("board"), at the pleasure of the Governor. The other nine members of the board shall serve for terms of three years each, except of the members first appointed, three shall serve one-year terms, three shall serve two-year terms and three shall serve three-year terms.

The provisions of this Executive Order shall become effective upon filing.

[SEAL]

Given under my hand and the Great Seal of the state of Michigan this 24th day of January, in the Year of our Lord, Two Thousand.

John Engler
Governor

By the Governor:
Candice S. Miller
Secretary of State

The Executive Orders were referred to the Secretary for record.

Senator Schwarz entered the Senate Chamber.

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

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

The motion prevailed, and the Assistant President pro tempore, Senator Hoffman, designated Senator Schuette as Chairperson.

After some time spent therein, the Committee arose; and, the President pro tempore, Senator Schwarz, having assumed the Chair, the Committee reported back to the Senate, favorably and with a substitute therefor, the following bill:

House Bill No. 4187, entitled

A bill to amend 1961 PA 236, entitled "Revised judiciary act of 1961," by amending section 5805 (MCL 600.5805), as amended by 1988 PA 115.

Substitute (S-1).

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:

House Bill No. 4524, entitled

A bill to amend 1961 PA 236, entitled "Revised judiciary act of 1961," by amending section 5805 (MCL 600.5805), as amended by 1988 PA 115.

Substitute (S-1).

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.

Resolutions

The question was placed on the adoption of the following resolution consent calendar:

Senate Resolution No. 118

The resolution consent calendar was adopted.

Senators Byrum, Miller and Rogers offered the following resolution:

Senate Resolution No. 118.

A resolution to recognize Sparrow Health System of Lansing, Michigan, for being distinguished by Health Care Investment Analysis (HCIA) as one of America's Top 100 Hospitals for 1999.

Whereas, Sparrow Health System was part of a nationwide study entitled "Benchmark for Success," which analyzed 1998 Medicare data for clinical quality, operations and financial management, and prompt, quality delivery of care to patients. As a result of this study, Sparrow Health System of Lansing was recognized by HCIA as one of America's Top 100 Hospitals for 1999. Sparrow Health System did not apply for this award but was chosen based on data comparing hospitals throughout the United States; and

Whereas, As a shining example of clinical excellence in the health care industry, Sparrow Health System has contributed to our state's capital as being nationally known as a world-class city. We should understand that this distinction is due to the dedication of all those involved with the operations of the hospital; now, therefore, be it

Resolved by the Senate, That the members of this legislative body recognize Sparrow Health System of Lansing, Michigan, for their efforts to increase the quality of care in patients of this state; and be it further

Resolved, That we commend Sparrow Health System for their diligence, commitment, and success in being recognized as one of America's Top 100 Hospitals for 1999; and be it further

Resolved, That a copy of this resolution be transmitted to Sparrow Health System as a reflection of our esteem.

Senators Stille, Schwarz, Goschka and Young were named co-sponsors of the resolution.

By unanimous consent the Senate proceeded to the order of

Statements

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

The motion prevailed.

Senator Byrum's statement is as follows:

Today I'm introducing a package of bills that will expand access to health care for Michigan's most needy citizens, as well as expand the quality of care for many Michigan residents.

As we are all aware, our managed care Medicaid program has been the subject of much criticism by health care providers and health plans alike. In many areas, physicians are expected to treat patients for as little as \$5.00 per month. To make matters worse, they often wait months before they are paid and frequently have to submit the same payment request multiple times. As a result of this nonsense, providers are losing substantial amounts of time and money. Health care providers are losing substantial amounts, and the providers around the state are responding to this problem by refusing to accept new Medicaid clients. Even more tragic, many providers are dropping their current Medicaid clients. Hospitals have also been affected as several have recently been forced to close or reduce their services.

I believe it is imperative that the Legislature address this problem. Our Medicaid constituents deserve access to health care. Our provider constituents deserve to be paid adequately and promptly, and all of our constituents deserve to be treated in an environment wherein our providers are spending their time treating and counseling instead of filling out more paperwork.

Senate Bill Nos. 929 through 931 tackle the concerns raised by physicians and hospitals. It requires health plans to pay providers for undisputed bills in a timely manner. It allows providers to collect interest on payments that are not timely made. Similarly, it defines a procedure by which disputed claims may be resolved. It also allows providers to submit their bills electronically just as they do with most of their other payers. Perhaps most importantly, this package extends to qualified health plans. During the public hearings on this issue, qualified health plans were identified as the most common source of reimbursement problems. This package of bills will subject these unlicensed health plans to the same standards as other health plans.

I hope that my colleagues will support this package of bills.

Additionally, I want to draw the body's attention to a resolution that is on your calendar today that commends the Sparrow Health System for its recent recognition as one of the top 100 hospitals in America. This recognition was awarded by the Health Care Investment Analysis. Sparrow Hospital continues to provide excellent care to the greater Lansing area. I am pleased that their commitment to quality care has been recognized.

Senator Schuette's statement is as follows:

I rise in response to some of the comments made by the Senator from the Lansing area, Senator Byrum, concerning the issue of faulty claims, clean claims—this issue of having prompt payment go to physicians and the sole issue of sole reimbursement.

I'm pleased that she is joining with my efforts and others', Senator Gougeon, chairman of the families committee, who has been very aggressive on the appropriations side, and Senator Shugars, chairman of the Health Policy Committee, on this issue of clean claims.

We'll be having a hearing on February 29 on a series of bills that I have been working on for some time to try to make sure that the efficiency of health care delivery, availability of doctors, and prompt payment to those who provide care to those truly in need is done in a timely fashion. So we'll be moving these bills on the 29th of February at a hearing that we will have, and after a series of meetings with a number of providers throughout the state, we think we are poised to strike the appropriate changes so that physicians are paid timely, fairly, and promptly in the delivery of medical services.

I am pleased that more and more people are recognizing that this is a serious problem in Michigan and must be addressed.

By unanimous consent the Senate returned to the order of

Introduction and Referral of Bills

Senator Jaye introduced

Senate Joint Resolution P, entitled

A joint resolution proposing an amendment to the state constitution of 1963, by adding section 26 to article I, to recognize a right to hunt and take game.

The joint resolution was read a first and second time by title and referred to the Committee on Hunting, Fishing and Forestry.

Senators Johnson, Jaye, Hammerstrom, Rogers, McCotter, Goschka, North and Shugars introduced

Senate Joint Resolution Q, entitled

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 26 of article IV, to provide for concurrence of 3/5 of the members of each house to impose certain taxes or to make certain modifications to certain taxes.

The joint resolution was read a first and second time by title and referred to the Committee on Finance.

Senator Young introduced

Senate Bill No. 924, entitled

A bill to amend 1933 PA 167, entitled "General sales tax act," (MCL 205.51 to 205.78) by adding section 4aa.

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

Senator Young introduced

Senate Bill No. 925, entitled

A bill to amend 1937 PA 94, entitled "Use tax act," (MCL 205.91 to 205.111) by adding section 4t.

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

Senator Young introduced

Senate Bill No. 926, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," (MCL 750.1 to 750.568) by adding section 81d.

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

Senator Young introduced

Senate Bill No. 927, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 16d of chapter XVII (MCL 777.16d), as added by 1998 PA 317.

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

Senator Jaye introduced

Senate Bill No. 928, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 48703 (MCL 324.48703), as added by 1995 PA 57.

The bill was read a first and second time by title and referred to the Committee on Hunting, Fishing and Forestry.

Senators Byrum, A. Smith and Emerson introduced

Senate Bill No. 929, entitled

A bill to amend 1980 PA 350, entitled "The nonprofit health care corporation reform act," by amending section 403 (MCL 550.1403).

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

Senators Byrum, Emerson and A. Smith introduced

Senate Bill No. 930, entitled

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," by amending the title and section 2006 (MCL 500.2006), the title as amended by 1998 PA 457, and by adding section 2006a.

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

Senators Byrum, A. Smith and Emerson introduced

Senate Bill No. 931, entitled

A bill to amend 1978 PA 368, entitled "Public health code," (MCL 333.1101 to 333.25211) by adding section 21095.

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

Senator Jaye introduced

Senate Bill No. 932, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," (MCL 760.1 to 777.69) by adding section 2b to chapter XI.

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

Senator Jaye introduced

Senate Bill No. 933, entitled

A bill to amend 1953 PA 232, entitled "An act to revise, consolidate, and codify the laws relating to probationers and probation officers, to pardons, reprieves, commutations, and paroles, to the administration of correctional institutions, correctional farms, and probation recovery camps, to prisoner labor and correctional industries, and to the supervision and inspection of local jails and houses of correction; to provide for the siting of correctional facilities; to create a state department of corrections, and to prescribe its powers and duties; to provide for the transfer to and vesting in said department of powers and duties vested by law in certain other state boards, commissions, and officers, and to abolish certain boards, commissions, and offices the powers and duties of which are transferred by this act; to allow for the operation of certain facilities by private entities; to prescribe the powers and duties of certain other state departments and agencies; to provide for the creation of a local lockup advisory board; to prescribe penalties for the violation of the provisions of this act; to make certain appropriations; to repeal certain parts of this act on specific dates; and to repeal all acts and parts of acts inconsistent with the provisions of this act," by amending section 42 (MCL 791.242) and by adding section 36b.

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

Senator Jaye introduced

Senate Bill No. 934, entitled

A bill to amend 1994 PA 295, entitled "Sex offender registration act," by amending section 7 (MCL 28.727), as amended by 1999 PA 85.

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

Senator Jaye introduced

Senate Bill No. 935, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending the title and section 320 (MCL 257.320), the title as amended by 1991 PA 98 and section 320 as amended by 1982 PA 310.

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

Senator Rogers introduced

Senate Bill No. 936, entitled

A bill to amend 1982 PA 455, entitled "The library privacy act," by amending section 6 (MCL 397.606), as added by 1999 PA 37.

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

Senators Dunaskiss, Hoffman and Schwarz introduced

Senate Bill No. 937, entitled

A bill to amend 1939 PA 3, entitled "An act to provide for the regulation and control of public utilities and other services affected with a public interest within this state; to create a public service commission and to prescribe and define its powers and duties; to abolish the Michigan public utilities commission and to confer the powers and duties vested by law therein on the public service commission; to provide for the continuance, transfer, and completion of certain matters and proceedings; to abolish automatic adjustment clauses; to prohibit rate increases without notice and hearing; to qualify residential energy conservation programs permitted under state law for certain federal exemption; to provide for a restructuring of rates for certain utilities; to encourage the utilization of resource recovery facilities; to provide for appeals; to provide appropriations; to declare the effect of this act; to prescribe penalties; and to repeal all acts contrary to this act," (MCL 460.1 to 460.8) by amending the title, as amended by 1989 PA 2, and by adding sections 10a, 10b, 10c, 10d, 10e, 10f, 10g, 10h, 10i, 10j, 10k, 10l, 10m, 10n, 10o, 10p, 10q, 10r, 10s, 10t, 10u, 10v, 10w, 10x, 10y, and 10z.

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

Senator Gougeon introduced

Senate Bill No. 938, entitled

A bill to amend 1939 PA 280, entitled "The social welfare act," by amending sections 111a and 111b (MCL 400.111a and 400.111b), section 111a as amended by 1986 PA 227 and section 111b as amended by 1994 PA 74, and by adding section 111i.

The bill was read a first and second time by title and referred to the Committee on Families, Mental Health and Human Services.

Scheduled Meetings

Appropriations Committee, Joint Senate and House - Thursday, January 27, at 11:00 a.m., House Appropriations Room, 3rd Floor, Capitol Building (3-6960).

Legislative Council - Wednesday, January 26, at 2:30 p.m., Senate Appropriations Room, 3rd Floor, Capitol Building (3-0212).

Technology and Energy Committee - Wednesday, January 26, at 3:00 p.m., Rooms 402 and 403, Capitol Building (3-2417).

Transportation and Tourism Committee - Tuesday, February 1, at 3:00 p.m., Room 110, Farnum Building (3-1758).

Senator Rogers moved that the Senate adjourn.

The motion prevailed, the time being 10:24 a.m.

The President pro tempore, Senator Schwarz, declared the Senate adjourned until Wednesday, January 26, at 10:00 a.m.

CAROL MOREY VIVENTI
Secretary of the Senate.

