No. 96 STATE OF MICHIGAN

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House of Representatives

95th Legislature REGULAR SESSION OF 2009

House Chamber, Lansing, Tuesday, November 3, 2009.

1:30 p.m.

The House was called to order by the Clerk.

The roll was called by the Clerk of the House of Representatives, who announced that a quorum was not present.

The Honorable Richard J. Brown, Clerk of the House, offered the following invocation:

"Creator, open our hearts to peace and healing between all people.

Creator, open our hearts to provide and protect for all children of the earth.

Creator, open our hearts to respect for the earth, and all the gifts of the earth.

Creator, open our hearts to end exclusion, violence, and fear among all.

Thank You for the gifts of this day and every day. Amen."

Announcement by the Clerk of Printing and Enrollment

The Clerk announced the enrollment printing and presentation to the Governor on Thursday, October 29, for her approval of the following bills:

Enrolled House Bill No. 5072 at 3:26 p.m.

Enrolled House Bill No. 5073 at 3:28 p.m.

The Clerk announced the enrollment printing and presentation to the Governor on Friday, October 30, for her approval of the following bills:

Enrolled House Bill No. 4906 at 11:10 a.m. Enrolled House Bill No. 5055 at 11:12 a.m.

The Clerk announced that the following bills had been printed and placed upon the files of the members on Friday, October 30:

House Bill Nos. 5562 5563 5564 5565

Senate Bill Nos. 963 964 965

Reports of Standing Committees

COMMITTEE ATTENDANCE REPORT

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

Meeting held on: Tuesday, November 3, 2009

Present: Reps. Mayes, Geiss, Lisa Brown, Huckleberry, Lipton, Melton, Roberts, Scripps, Horn, Crawford, Opsommer, Proos, Wayne Schmidt and Schuitmaker

Absent: Reps. Clemente, Ebli, Johnson, Lindberg and Marleau Excused: Reps. Clemente, Ebli, Johnson, Lindberg and Marleau

Messages from the Governor

Date: October 29, 2009

Time: 4:30 p.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

Enrolled House Bill No. 4441 (Public Act No. 132, I.E.), being

An act to make appropriations for the state institutions of higher education and certain state purposes related to education for the fiscal year ending September 30, 2010; to provide for the expenditures of those appropriations; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

(Filed with the Secretary of State October 30, 2009, at 11:27 a.m.)

Communications from State Officers

The following communication from the Department of Labor and Economic Growth was received and read:

October 3, 2009

In accordance with Public Act 304 of 1982, the attached 2008 Annual Report for the Michigan Utility Consumer Representation Fund (UCRF) is transmitted to the Legislature.

The state's six largest investor-owned utilities who use cost recovery proceedings to recover purchased gas and power supply costs from ratepayers were required, under this Act, to remit a total ratepayer funded assessment of \$1,096,950 in 2008 to provide for fair and adequate representation of Michigan residential energy ratepayers in gas and power supply cost recovery proceedings, reconciliation cases and other related proceedings before the Michigan Public Service Commission. 47.5% (\$521,051) of the revenue is allocated to fund intervenor grants, 47.5% (\$521,051) of the revenue is allocated to the Department of Attorney General, and the remaining 5% (54,848) is allocated for administrative costs.

The Utility Board requested an Annual Year (AY) authorization in 2008 of \$950,000 using current and accrued funds in order to provide sufficient revenue to fund qualified intervenor grants. This provided a total of \$902,500 available grant funding and \$47,500 for administrative costs. The same amount was requested for Annual Year (AY) 2009.

In 2008, six new grants (09-01, 09-02, 09-03, 09-04, 09-05, 09-06) in the total amount (with amendments) of \$719,899 were granted against AY 2009 (pending approval of the budget). Work on the four grants approved in 2007 against the AY 2008 authorization continued. These grants included (UCRF 08-01, 08-02, 08-03, and 08-04) in the total amount of \$611,460. Decisions from previous years were still pending in some cases.

Grants are rated based on compliance with statutory requirements and criteria established by the board. In 2008, the cases selected for UCRF funding represent approximately 95% of the residential customers of utilities participating in cost-recovery proceedings or nearly 3 million natural gas customers and 3.5 million electric customers in the state of Michigan. UCRF grant recipients included the Residential Ratepayer Consortium (RRC), Michigan Environmental Council (MEC/PIRGIM), Michigan Community Action Association (MCAAA), and the American Association of Retired Persons (AARP) of Michigan. The membership and scope of these organizations is provided in Appendix 1.

In 2008, UCRF funded intervenors achieved approximately \$1.7 million dollars in direct disallowance for residential customers, were responsible for the withdraw of a request for a rate recovery of approximately \$13 million dollars, influenced a \$11.2 million savings on the sharing of pollution control allowances, and advocated positions in settlements that contributed to significant rate reductions. UCRF funded intervenors also affected planning and purchasing practices

that improve outcomes and rates for residential customers over the long-term. The UCRF grant program continues to give a voice to residential customers in this complex utility ratemaking process and provides for more reasonable and fair planning and cost treatment for ratepayers.

The board continued improvements in administration and management of the grant program. In 2008, particular attention was paid to improvements in grantee billing practices and budget amendment review process.

The Attorney General's Office also receives UCRF funding to intervene on behalf of the utility ratepayers of Michigan in Act 304 proceedings. The Attorney General's Office will submit its' P.A. 304 Annual Report under separate cover.

Sincerely,

UTILITY CONSUMER PARTICIPATION BOARD

Mr. Alexander H. Isaac, Chair

The communication was referred to the Clerk.

The following communication from the Department of Transportation was received and read:

October 29, 2009

Pursuant to Section 384(2) of Public Act 275 of 2008, enclosed is a report intended to fulfill the requirements of the following language:

The department will report on a quarterly basis to both the house and senate appropriations committees on any expenditures relative to the process identified in subsection (1).

Sec. 384 (1) The state transportation department is allowed to finish the Detroit River international crossing (DRIC) study provided that activity associated with finishing the DRIC study shall not bind the state in any way to construction. Certain preliminary activities which are necessary to prepare a proposal for a decision by the legislature are allowed as long as they do not bind the state. Those activities include all of the following:

- (a) Applications for permits and approvals.
- (b) Preliminary design engineering work.
- (c) Preliminary utility planning and relocation.
- (d) Preliminary financial and funding arrangements.

The report includes a listing of internal, consultant, and total study expenditures to-date through the end of the fourth quarter of Fiscal Year 2009, two charts detailing expenditures by year and source of funds, and monthly progress reports for the quarter detailing the history of the consultant team's efforts on behalf of the department.

The Michigan Department of Transportation takes great pride in the way we are conducting the DRIC project. We urge you to visit the project Web site, <u>www.partnershipborderstudy.com</u>, where a wealth of additional information regarding study data and activities has been available since 2005. All material attached to this memo will be made available on the project Web site if not already posted.

If you have any questions, please feel free to contact me at (517) 373-3946 or DeCookR@michigan.gov.

Sincerely,
Ronald K. DeCook, Director
Office of Governmental Affairs

The communication was referred to the Clerk.

The following communication from the Department of Treasury was received and read:

October 30, 2009

Please find attached one copy of the Personal Property Audit Quarterly Report for the period July 1, 2009 — September 30, 2009. The report is required by Public Act 261 of 2008, the General Government Appropriations Act. Section 947 of the Act provides, in part, as follows:

- (1) Of the \$4,749,200.00 included in part 1 for the revenue enhancement program, \$4,249,200.00 shall be used for revenue collection enhancement activities including auditing functions.
- (2) The department of treasury shall submit quarterly progress reports to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies, regarding personal property tax audits funded under subsection (1). The report shall include the number of audits, revenue generated, and number of complaints received by the department related to the audits.

Frederick Headen, Director Bureau of Local Government Services

The communication was referred to the Clerk.

Introduction of Bills

Reps. Robert Jones, Stanley, Young, Constan, Durhal, Polidori, Meadows, Dean and Roy Schmidt introduced House Bill No. 5566, entitled

A bill to amend 1996 PA 381, entitled "Brownfield redevelopment financing act," by amending sections 2 and 13 (MCL 125.2652 and 125.2663), section 2 as amended by 2007 PA 204 and section 13 as amended by 2007 PA 202.

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

Reps. Stanley, Robert Jones, Young, Hammel, Gonzales, Slezak, Leland, Nathan, Bettie Scott, Bledsoe, Meadows and Johnson introduced

House Bill No. 5567, entitled

A bill to amend 1992 PA 147, entitled "Neighborhood enterprise zone act," by amending section 2 (MCL 207.772), as amended by 2008 PA 284.

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

Reps. Miller, Switalski, Polidori, Leland and Liss introduced

House Bill No. 5568, entitled

A bill to authorize counties to establish a county bicycle trails fund; to authorize counties to establish a county bicycle sticker; to provide for the deposit of certain money in a county bicycle trails fund; to provide for the use of money in a county bicycle trails fund; and to prescribe the powers and duties of certain county officers and officials.

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

Reps. Kowall, Opsommer, Paul Scott, Rick Jones, Haines, Tyler, Lund, Knollenberg, Ball, Calley, Proos and Mayes introduced

House Bill No. 5569, entitled

A bill to amend 1893 PA 206, entitled "The general property tax act," (MCL 211.1 to 211.155) by adding section 700.

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

Rep. Miller introduced

House Bill No. 5570, entitled

A bill to amend 1973 PA 139, entitled "An act to provide forms of county government; to provide for county managers and county executives and to prescribe their powers and duties; to abolish certain departments, boards, commissions, and authorities; to provide for transfer of certain powers and functions; to prescribe powers of a board of county commissioners and elected officials; to provide organization of administrative functions; to transfer property; to retain ordinances and laws not inconsistent with this act; to provide methods for abolition of a unified form of county government; and to prescribe penalties and provide remedies," by amending sections 17 and 22 (MCL 45.567 and 45.572).

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

Rep. Miller introduced

House Bill No. 5571, entitled

A bill to amend 1966 PA 293, entitled "An act to provide for the establishment of charter counties; to provide for the election of charter commissioners; to prescribe their powers and duties; to prohibit certain acts of a county board of commissioners after the approval of the election of a charter commission; to prescribe the mandatory and permissive provisions of a charter; to provide for the exercise by a charter county of certain powers whether or not authorized by its charter; and to prescribe penalties and provide remedies," by amending sections 14 and 15 (MCL 45.514 and 45.515), section 14 as amended by 2005 PA 208 and section 15 as amended by 1980 PA 7.

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

Rep. Miller introduced

House Bill No. 5572, entitled

A bill to amend 1851 PA 156, entitled "An act to define the powers and duties of the county boards of commissioners of the several counties, and to confer upon them certain local, administrative and legislative powers; and to prescribe penalties for the violation of the provisions of this act," by amending section 12a (MCL 46.12a), as amended by 2003 PA 210

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

Reps. Bolger, Constan, Walsh, Denby, Tyler, Wayne Schmidt, Lori, Scripps, Robert Jones and Griffin introduced **House Bill No. 5573, entitled**

A bill to amend 1941 PA 359, entitled "An act for controlling and eradicating certain noxious weeds within the state; to permit townships, villages, and cities to have a lien for expenses incurred in controlling and eradicating such weeds; to permit officials of counties and municipalities to appoint commissioners of noxious weeds; to define the powers, duties, and compensation of commissioners; to provide for sanctions; and to repeal certain acts and parts of acts," by amending section 4 (MCL 247.64), as amended by 2003 PA 321.

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

Announcements by the Clerk

October 30, 2009

Received from the Auditor General a copy of the following audit report and/or report summary: Performance audit of the Richard A. Handlon Correctional Facility, Department of Corrections, October 2009.

October 30, 2009

Received from the Auditor General a copy of the following audit report and/or report summary:

Performance audit of the Ionia Maximum Correctional Facility, Department of Corrections, October 2009.

Richard J. Brown

Clerk of the House

The Clerk declared the House adjourned until Wednesday, November 4, at 1:30 p.m.

RICHARD J. BROWN Clerk of the House of Representatives