

**THE MINUTES OF THE HOUSE STANDING COMMITTEE  
ON  
COMMERCE**

**Tuesday, December 13, 2011**

**8:30 a.m.**

**Room 519 House Office Building**

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The House Standing Committee on Commerce was called to order by **Representative Wayne Schmidt**, Chair.

**MEMBERS PRESENT:** Representatives Wayne Schmidt, Tyler, Gilbert, Knollenberg, Denby, Lund, Shirkey, Farrington, Glardon, Shaughnessy, Somerville, Zorn, Switalski, Bledsoe, Haugh, Barnett, Clemente, Townsend and Olumba.

**MEMBERS ABSENT/EXCUSED:** None.

**Representative Tyler** moved to adopt the minutes from the **December 8, 2011**, meeting. There being no objection, the motion prevailed by unanimous consent.

**Chair Wayne Schmidt** laid **SB 855** before the committee:

SB 855    Kowall                    Michigan business tax; credits; credit for certain high-powered energy batteries; modify.

**TESTIMONY:**

**Senator Kowall**, sponsor of SB 855, explained his bill to the committee.

**James McBryde** and **Peter Anaster**, representing the Michigan Economic Development Corporation (MEDC), testified in support of the bill.

**Representative Haveman** testified in support of the bill and introduced representatives from Johnson Controls, Inc.

**David DeGraaf**, representing Johnson Controls, Inc., testified in support of the bill with amendments.

**Kevin Kuznicki**, representing Johnson Controls, Inc., testified in support of the bill with amendments.

*The following people submitted a card and did not speak:*

Joe Sproles, representing Townsend Energy Solutions, supports the bill.

L. Brooks Patterson, Oakland County Executive, supports the bill.

**Representative Shaughnessy** moved to adopt the substitute **(H-1)** to **SB 855**.

The motion prevailed by a vote of **18-0-0**.

**FAVORABLE ROLL CALL:**

Yeas: Representatives Wayne Schmidt, Tyler, Gilbert, Knollenberg, Denby, Lund, Shirkey, Farrington, Glardon, Shaughnessy, Somerville, Zorn, Switalski, Bledsoe, Haugh, Barnett, Clemente and Townsend,

Nays: None,

Pass: None.

**Representative Shaughnessy** moved to report **SB 855** with recommendation as substitute **(H-1)**.

The motion prevailed by a vote of **14-5-0**.

**FAVORABLE ROLL CALL:**

Yeas: Representatives Wayne Schmidt, Tyler, Knollenberg, Denby, Glardon, Shaughnessy, Zorn, Switalski, Bledsoe, Haugh, Barnett, Clemente, Townsend and Olumba,

Nays: Representatives Gilbert, Lund, Shirkey, Farrington and Somerville,

Pass: None.

*Chair Wayne Schmidt place the committee at ease at 9:15 a.m.*

*The committee reconvened at 9:21 a.m.*

**Chair Wayne Schmidt** laid **SB 483**, **SB 484**, **SB 806** and **HB 5185** before the committee:

SB 483 Jansen Employment security; funds; Michigan employment security financing act to provide for the issuance of bonds; create.

SB 484 Jansen Employment security; funds; means of financing employment security deficits; modify.

SB 806 Brandenburg Employment security; general amendments; improved solvency of unemployment system; provide for.

HB 5185 Haveman Employment security; general amendments; improved solvency of unemployment system; provide for.

**TESTIMONY:**

**Steve Arwood**, representing the Michigan Department of Licensing and Regulatory Affairs (LARA), testified in support of the bills.

**Ben McGuire**, representing the Michigan Department of Treasury, testified in support of the bills.

*Chair Wayne Schmidt placed the committee at ease at 9:33 a.m.  
The committee reconvened at 9:42 a.m.*

*The following people submitted a card and did not speak:*

Charlie Owens, representing the National Federation of Independent Business (NFIB), supports SB 483, SB 484 and SB 806.

Scott Hummel, representing the Michigan Association of Insurance Agents, supports SB 483, SB 484 and SB 806.

Bonnie Bochniak, representing the Michigan Business and Professional Association, supports the bills.

Andy Johnston, representing the Grand Rapids Area Chamber of Commerce, supports SB 483, SB 484 and SB 806.

David Jessup, representing the Small Business Association of Michigan (SBAM), supports SB 483, SB 484 and SB 806.

Delaney Newberry, representing the Michigan Manufacturers Association (MMA), supports the bills.

Linda Gobler, representing the Michigan Grocers Association, supports the bills.

Justin Winslow, representing the Michigan Restaurant Association, supports SB 483, SB 484 and SB 806.

Lindsay Case, representing the Detroit Regional Chamber of Commerce, supports SB 483, SB 484 and SB 806.

*The following people submitted cards in support of the bills and did not wish to speak:*

Tim Bulby, representing Culby Produce.

Craig Sizemore, representing Cut-Rite EDM.

Sherri MacArthur, representing Clean Home.

Kevin Miller, representing Gull Lake Marine.

Steve Francis, representing Country Smokehouse, Inc.

Owen Pyle, representing Concord Capital Management LLC.

Michael Parks, representing M& K Builders LLC.

Charlie Kalbfleisch, representing Pro Tech Engineering & Design.

Maria Vitale, representing Eurocraft Interiors.

Dave Moore, representing Village Press.

Gretchen Rhoades, representing Rhoades Engineering.

Colleen Kemner, representing Napoleon Lawn & leisure.

Carol Fisher, representing Shottle Bop Party Store.

Eric Roggenbuck, representing Specialty Tool and Mold.

Lynn Early, representing State Farm.

Ann Steenwyk, representing Steenwyk & Sons Excavating.  
Scott Duncan, representing Stevenson Marketing Coop.  
Christine McWethy, representing T & T Tooling.  
Gregory Turner, representing TBF.  
Andrew Reeves, representing KCMS Pharmacy.  
Jim Gree, representing Lacks Enterprises, Inc.  
Fred Leitz, Jr., representing Leitz Farms LLC.  
Denice M. LeVasseur, representing Levasseur & Levasseur, P.C.  
Lindy Burton, representing M-66 Bowl, Inc.  
Ben Harris, representing Make Way Move All.  
Ron Kozlowski, representing Mando American Corp.  
Tom Shields, representing Marketing Resources Group, Inc.  
David Simon, representing Medler Electric Company.  
Thomas Radewahn, representing Mid Valley Insurance & Financial.  
John Miner, representing Midwest Energy Cooperative.  
Jamie Mills, representing Mills Benefit Group.  
Daniel Pletzke, representing Northern Concrete Pipe Inc.  
Lyle Detterman, representing Northern Electrical Testing, Inc.  
Teresa Witt, representing NorthGate.  
Mark Henderson, representing Nu-Wool Co., Inc.  
Brenda Smith, representing OMNI Community Credit Union.  
Randy J Owen, representing Owen Tree Services, Inc.  
Gayle O'Donnell, representing Quartermaster Shop Ltd.  
Chris Tate, representing Quickway Services, Inc.  
Michael and Linda Munson, representing Ram Leather Care.  
Brian Moore, reprinting Schreiber Corporation.  
Gay Bird, representing Shoreline Metal Fabricators, Inc.  
Michael Singer, representing Singer, Leemon & Associates, Inc.  
Mark Lemoine, representing Spectrum Health System.  
John VanKyke, representing Speed Wrench, Inc.  
David Maczik, representing Standing Company.  
Bradley Lawton, representing Star Cutter Company.  
Richard Patmos, representing Sunrise Acres.  
Robert Heins, representing Superior Services RSH, Inc.  
Thomas Holmes, representing SVRC Industries, Inc.  
Thomas Ford, representing T & M Asphalt Paving, Inc.  
David Hamilton, representing The Envelope Printery, Inc.  
Brian Birchmeier, representing the Gold Buyer Network.  
James Sisson, representing Heritage Automall, Inc.  
Michele Bruckley, representing Hines Corporation.  
Francis Duignan, representing Becker Orthopedic.  
Richard Johnson, representing Contour Tool & Machine.  
Scott Wierenga, representing Ajacs Die Sales Corp.  
Wayne Dula, representing Loc Performance Products.  
Frankq Ervin, III, representing Magna.  
Make Allan, representing Benson's Building Supply.

Carrie Fisher, representing J& R Auto Recyclers, Inc.  
Carol Kovalak, representing Jim Kovalak Excavating, Inc.  
David Rhoa, representing Michigan Mailers.  
Mark Hewitt, representing Miller Real Estate.  
Jerry Gallatin, representing Morning Fresh Bakery Incorporated.  
Lawrence Kawer, representing Motor City Underwriters, Inc.  
David Goudreau, representing Northern Wings Repair, Inc.  
Henry Bledsoe, representing Overbeck Construction.  
Shawn Leche, representing Portage Lake District Library.  
Michael Powers, representing Powers Insurance Agency, Inc.  
Janak Mehta, representing PR Easy.  
Kenneth Jewett, representing QCI Healthcare.  
Alan Reau, representing Reau Manufacturing Company.  
Ginny Sherrow, representing Sherrow Financial LLC.  
Laurie Schmit, representing St. Vincent De Paul Society.  
Mark Partogian, representing Suburban Party Rental.  
Nanette Sjoquist, representing TDS Inc.  
Mark Cramer, representing That Kitchen Place.  
John Warren, representing Warrens Glass Technology.  
Richard Boarman, representing West Michigan Medical Associates.  
Jill Ritchie, representing US Steel Corp.  
Rick Murphy, representing Real Green Systems.  
Tim Wingert, representing Wingert's.  
Jeff Chaffin, representing Keltech.  
Chuck McKinney, representing Schaller Corp.  
Mike Hammerly, representing Composite Forgings.  
Mary Stradinger, representing PulverDryer.  
Donni McCutcheon, representing L.S. Engineering.  
David Utzinger, representing C.W. Marsh.  
Michael Gordon, representing Fairlane Tool.  
Brenda Santiago, representing Seneca Partners.  
Douglas Peck, representing Renosol Corp.  
Bob Davies, representing Bayview Electric.  
Don Lang, representing Waltz Holst Blow Pipe Co.  
Steven Traison, representing Walker Printery.  
Phil Allen, representing West Michigan Precision Machining.  
Chris Chandler, representing R. Cushman & Assn.  
Paula Horton, representing Power Tools & Supply.  
Donald Sazama, representing Pioneer Steel Corp.  
Colleen Wright, representing Manthei, Inc.  
Rose Meengs, representing PorterCorp.  
Sunil Agrawal, representing NOVA Consultants.  
Tom VanRee, representing Legacy Precision Molds.  
Gloria Rentz, representing aXtraHand LLC.  
Christina Beckwith, representing SEMCO Energy.  
Synergetic Marketing

Leslie Bradley, representing Hibsman Screw Machine Products, Inc.  
Tim Holton, representing Royal Oak Kitchen and Bath  
Michael Horan, representing Livingston County Concrete  
David Wade, representing MVP Collaborative  
Robert Hakim, representing Central Alarm Signal Inc.  
Michael Bone, representing Downriver Torching Service, Inc.  
David Lockhart, representing ETS Staffing  
Leo Fox, representing Arbor Farms Market  
Bradley Eagle, representing Eagle Engineering & Supply Co.  
Matt DeJonge, representing GDDDB Corp. DPA Builders Choice Concrete, Inc.  
Chris Wysong, representing Hemco Gage  
Mike Vilders, representing Filtrona Pourous Technologies  
Peter Wilde, representing Townsend Hotel  
Sue Arnold, representing Country Turf  
Tim Ziemer, representing Engine Technology  
Pam Spivey, representing Creative Vinyl Signs  
Casey Darby, representing Die Tech Services  
Ron Niewoonder, representing E. Niewoonder and Sons  
Dale Edwards, representing Edwards Automotive  
Kim Carlson, representing Efficient Foam Insulation  
Marlene Mackie, representing Escanaba Vet Clinic  
Don Gable, representing Gable Land and Lumber  
Brenda Vaness, representing Gall Sewing and Vac Center  
Gary Thibault, representing GT Plastics  
Tom Halladay, representing H&R Screw Machine Products  
Mark Babiarz, representing Hoekstra Truck Equipment  
Dan Cooper, representing HT Engineering  
Al Kogan, representing Ikes Westside Auto  
William Baker, representing Information Station Specialists  
Bill Garber, representing Interlink  
John Davis, representing John Davis Electrical Service  
Duane Kenyon, representing Kenyon Doors and Openers  
Dan Huuki, representing Keweenaw Overhead Door  
Chuck Gifford, representing Local Business Network  
Lyle Vidergar, representing Master Gig Grinding  
Julie McFarland, representing McNaughton & Gunn  
Duane Kujat, representing Mobile Marine Service  
Timothy Shellen, representing Molly Maid of Kent  
Kevin Vanatta, representing Newberry Motors  
Marvin Beasley, representing Nivram  
Lee Woods, representing Northern Tires  
Joan Rozema, representing Northgate Appliance  
Jon Deur, representing Oakwood Apartments  
Chris Uhl, representing Ohio Specialties  
Rich Severson, representing Park Ridge Inn  
Dan Cohen, representing Pilchak Cohen & Tice, P.C.

Jim Fox, representing Pinnacle Express  
Ron Jacques, representing Plastic Dress Up Service  
Nancy Marr, representing Prime Housing Group  
Linda Gillett, representing Quixerve Corporation  
Gretchen Rhoades, representing Rhoades Engineering  
Robin Williams, representing Robin's Nest  
John LaClair, representing Ross Automative Supply  
Fred Hoitash, representing RTI Labs  
Joanne Saber, representing Saber Building Services  
Dan Decker, representing Safety Systems of Adrian, Lansing and Livonia  
Roland R. Tindle, representing Complete Care Center  
Kenneth Lehman, representing Big L Corporation  
Lori Husiman, representing Classic Design Concepts  
Howard Crane, representing Crane Optical  
Jim Crawford, representing Dubai Dorner Insurance Agency  
Carl Lamar, representing C L Construction  
Patricia Gilchrist, representing Culligan Water Clinic  
Matt Carey, representing Culligan Water Conditioning of Lansing  
Ron Tupper, representing Dapco Industries  
Roger Dennings, representing Dennings & Associates, Inc.  
James Kasmark, Jr., representing D-Mark, Inc.  
Peggy Dote, representing Doty Mechanical, Inc.  
Donna Adam, representing Educational Tours, Inc.  
Richard DeTramble, representing the Forge Industrial Staffing  
James Wilds, representing the Frankenmuth Insurance  
Mike Gallagher, representing Gallagher Uniform  
Willard VanHarn, representing Gazelle Prototype LLC  
Julie Rietbert, representing Grand Rapids Association of REALTORS  
Bob Wolford, representing Grand Rapids Ophthalmology  
Michael Tobin, representing Group Five Management Company  
Janice Zuchowicz, representing Credit Union Advantage  
Kim Laforet, representing Coldwell Banker Hubbell Briarwood  
Rick Goedert, representing 1st State Bank  
Timothy Austin, representing A&H Lawn Service, Inc.  
Robert Onderdonk, representing A-1 Rental, Inc.  
Bobby T Cox, representing Acorn Stamping, Inc.  
Helen & Michael Johnson, representing Alliance Broach & Tool  
Richard Czarniecki, representing Alliance CNC Grinding Service, Inc.  
Kim Fettig, representing Ameritemp Staffing  
Lori Lunger, representing Amigo Mobility International, Inc.  
Kellie Hanes, representing Axios Incorporated  
Jennife Blank, representing Battle Creek Area Chamber of Commerce  
Mark Baldwin, representing the H-Tech/FPA Group  
Gary Berkenpas, representing Distinctive Machine Corporation  
Rebecca Smits, representing Inland Seas Engineering, Inc.  
Jayne Davis, representing NLB Corporation

Peter de Steiger, representing Raymond de Steiger, Inc.  
Bonnie Alfonso, representing Alfie Logo Gear for Work & Play  
David Salerno, representing 18th Street Deli  
Daniel Pruss, representing Detroit Stoker Company  
Renee & Chris Draves, representing Draves Family Restaurants, LLC  
Jacqueline Lanko, representing Godlan, Inc.  
Al Cavasin, representing Great Northern Sentry Company  
Ted W Nicodemus, representing Hyatt Place Detroit/Utica  
Mike Gasperick, representing Transmissions and More  
Curtis Hewitt, representing Utopia Tanning  
Ralph Beebe, representing Highland Engineering  
Dennis Wissner, representing Aire Serve of Mid-Michigan  
Jason Kudary, representing Century 21 Northland  
Peter Berden, representing Great Lakes Stainless, Inc.  
Ken Osborne, representing BORIDE Engineered Abrasives  
Pat Williams, representing Lunar Industries  
Roy Nichols, representing Air Services, Inc.  
Tim Ewert, representing Hoestead Products  
Mark Morrison, representing IDC Solutions LLC  
Robert Vanderson, representing Jacobson Heating and Cooling Co.  
Jan Sober, representing Jama Enterprises, Inc.  
John Wolfe, representing John A Wolfe and Associates, Inc.  
Pam Wright, representing TEC Systems Electric  
Ed DeJong, representing Tender Lawn Care  
Tim Pinkelman, representing Tim Pinkelman CPA  
Judee Wilson, representing Tri Berry  
John Vandersalm, representing VanderSalm's-Flipse Flower Shop and Garden Center  
Carroll Baker, representing Fromholz, Paauwe and Baker, P.C.  
Michael Klement, representing Architectural Resource  
Nikki White, representing Armstrong White, Inc.  
Palee Haney, representing Art Bay Studio  
Kimberlea Bungy, representing BANEL Learning Center  
Georgette Bledsoe, representing Benefit Management Administrators Inc.  
Jack Eberhard, representing Book Concern Printers  
Daniel Torres, representing Border Grill  
John Bridgewater, representing Bridgewater Builders  
Cindy Locklin, representing Busy Beas Service Inc.  
Mike Charvat, representing Charvat Agency Insurance  
Ron Fron, representing Clark and Fron Realtors  
Vivian Cook, representing Concept Metal Products, Inc.  
Bob Frye, representing Cross Country Ski Headquarters  
Patricia Roundtree, representing Dundee Internet Services  
Daniel DeLano, representing Edward Jones  
Phillip Babich, representing Frank's Grand Rental Station  
Shawn Rimmell, representing Global Automation Technologies LLC  
Dave Berger, representing H C Berger  
Maria Walton, representing Hannah's Home Care, Inc.  
Brad Hinkson, representing Hinkson Construction Inc.

Richard Feight, representing IAM Financial, LLC  
Michael Fox, representing Ingenuity IEQ  
David Kendrick, representing Interior Concepts Corporation  
Tom Messer, representing Tru Thread Co.  
Margaret Grady, representing Tuscola County Medical Care Facility  
Ron VanZytveld, representing Van's Delivery Service, Inc.  
Lloyd Verduyn, representing Verduyn Tarps Inc.  
Lupe Velazques, representing VS and F, LLC  
Pamela McCune, representing Walgreen Company  
Donald Stephanic, representing Western Engineered Products, Inc.  
Dale Smith, representing Western Wayne Oakland County Association of Realtors  
Dirk Bloemendall, representing Amway  
Susan Sprentall, representing American Laser Enterprises, LLC  
Richard Schwartz,, representing L.J. Beal and Son, Inc.  
Nancy Chapman, representing AEC  
Patrick Gemmen, representing Aluwas Dental Products  
Terry Holdt, representing American Business Equipment  
Jon Stellema, representing Autolab  
Karen Fraley, representing Baldwin Bait and Tackle  
Daniel Blamer, representing Blamer Financial Service  
Bob McClintic, representing Bob McClintic and Associates  
Bruce Donovan, representing Bruce Donovan Construction  
Cal Morrish, representing Cal's Auto Repair  
Dale Fraaza, representing Cargo Heavy Duty  
Cathy Phelps, representing Cedar Lumber Company  
Bob Goodacre, representing Chableau Enterprises, LLC  
Gloria Rentz, representing I and G Tool Co.

**Chair Wayne Schmidt** offered the following amendments to **SB 483**:

1. Amend page 4, line 24, after "Funding" by striking out the balance of the sentence and inserting "the minimum amount necessary to pay unemployment benefits without advances or loans from the federal government before January 1, 2014."
2. Amend page 4, line 26, after "benefits" by inserting "before January 1, 2014".
3. Amend page 17, line 12, after "benefits" by striking out the balance of the line through "including" on line 13 and inserting "before January 1, 2014, and to pay".

**Representative Tyler** moved to adopt the amendments.

The motion prevailed by a vote of **19-0-0**.

**FAVORABLE ROLL CALL:**

Yeas: Representatives Wayne Schmidt, Tyler, Gilbert, Knollenberg, Denby, Lund, Shirkey, Farrington, Glardon, Shaughnessy, Somerville, Zorn, Switalski, Bledsoe, Haugh, Barnett, Clemente, Townsend and Olumba,

Nays: None,

Pass: None.

**Representative Barnett** offered the following amendment to **SB 483**:

1. Amend page 19, line 1, after "unless" by striking out the balance of the enacting section and inserting "Senate Bill No. 484 of the 96th Legislature is enacted into law."

**Representative Switalski** moved to adopt the amendment.

The motion did not prevail by a vote of **7-12-0**.

**UNFAVORABLE ROLL CALL:**

Yeas: Representatives Switalski, Bledsoe, Haugh, Barnett, Clemente, Townsend and Olumba,

Nays: Representatives Wayne Schmidt, Tyler, Gilbert, Knollenberg, Denby, Lund, Shirkey, Farrington, Glardon, Shaughnessy, Somerville and Zorn,

Pass: None.

**Representative Shaughnessy** moved to report **SB 483** with recommendation as substitute (**H-1**).

The motion prevailed by a vote of **12-7-0**.

**FAVORABLE ROLL CALL:**

Yeas: Representatives Wayne Schmidt, Tyler, Gilbert, Knollenberg, Denby, Lund, Shirkey, Farrington, Glardon, Shaughnessy, Somerville and Zorn,

Nays: Representatives Switalski, Bledsoe, Haugh, Barnett, Clemente, Townsend and Olumba,

Pass: None.

**Representative Barnett** offered the following amendment to **SB 484**:

1. Amend page 8, line 22, after "unless" by striking out the balance of the enacting section and inserting "Senate Bill No. 483 of the 96th Legislature is enacted into law."

**Representative Switalski** moved to adopt the amendment.

The motion did not prevail by a vote of **7-12-0**.

**UNFAVORABLE ROLL CALL:**

Yeas: Representatives Switalski, Bledsoe, Haugh, Barnett, Clemente, Townsend and Olumba,

Nays: Representatives Wayne Schmidt, Tyler, Gilbert, Knollenberg, Denby, Lund, Shirkey, Farrington, Glardon, Shaughnessy, Somerville and Zorn,

Pass: None.

**Representative Somerville** moved to report **SB 484** with recommendation.

The motion prevailed by a vote of **12-7-0**.

**FAVORABLE ROLL CALL:**

Yeas: Representatives Wayne Schmidt, Tyler, Gilbert, Knollenberg, Denby, Lund, Shirkey, Farrington, Glardon, Shaughnessy, Somerville and Zorn,

Nays: Representatives Switalski, Bledsoe, Haugh, Barnett, Clemente, Townsend and Olumba,

Pass: None.

**TESTIMONY:**

**Steve Arwood**, representing the Michigan Department of Licensing and Regulatory Affairs (LARA), testified in support of SB 806.

**Neal Zechman**, representing the Michigan Unemployment Insurance Agency, testified in support of SB 806.

*Chair Wayne Schmidt placed the committee at ease at 9:57 a.m.*

*The committee reconvened at 11:13 a.m. in room 352 of the State Capitol.*

*The committee continued with testimony for SB 806:*

**TESTIMONY:**

**Todd Tennis** of Capitol Services, Inc., representing the International Brotherhood of Electrical Workers (IBEW), testified and submitted written testimony in opposition to the bill.

*The following person submitted a card and did not speak:*

Zane Walker, representing the Michigan Building and Construction Trades, opposes the bill.

**Representative Farrington** moved to adopt the substitute **(H-1)** to **SB 806**.

The motion prevailed by a vote of **12-7-0**.

**FAVORABLE ROLL CALL:**

Yeas: Representatives Wayne Schmidt, Tyler, Gilbert, Knollenberg, Denby, Lund, Shirkey, Farrington, Glardon, Shaughnessy, Somerville and Zorn,

Nays: Representatives Switalski, Bledsoe, Haugh, Barnett, Clemente, Townsend and Olumba,

Pass: None.

**Representative Switalski** offered the following amendment to **SB 806 (H-1)**:

1. Amend page 100, line 24, after the first "than" by striking out "20" and inserting "26".

**Representative Bledsoe** moved to adopt the amendment.

The motion did not prevail by a vote of **6-12-0**.

**UNFAVORABLE ROLL CALL:**

Yeas: Representatives Switalski, Bledsoe, Haugh, Barnett, Clemente and Townsend,

Nays: Representatives Wayne Schmidt, Tyler, Gilbert, Knollenberg, Denby, Lund, Shirkey, Farrington, Glardon, Shaughnessy, Somerville and Zorn,

Pass: None.

**Representative Barnett** offered the following amendment to **SB 806 (H-1)**:

1. Amend page 128, line 11, after "unit." by striking out the balance of the line through "**JOB.**" on line 20.

**Representative Switalski** moved to adopt the amendment.

The motion did not prevail by a vote of **7-12-0**.

**UNFAVORABLE ROLL CALL:**

Yeas: Representatives Switalski, Bledsoe, Haugh, Barnett, Clemente, Townsend and Olumba,

Nays: Representatives Wayne Schmidt, Tyler, Gilbert, Knollenberg, Denby, Lund, Shirkey, Farrington, Glardon, Shaughnessy, Somerville and Zorn,

Pass: None.

**Representative Townsend** offered the following amendments to **SB 806 (H-1)**:

1. Amend page 128, line 16, after "**HEALTH**" by striking out the semicolon and inserting "**AND**".

2. Amend page 128, line 17, after "**EMPLOYER**" by striking out the balance of the line through "**JOB.**" on line 20 and inserting a period.

**Representative Barnett** moved to adopt the amendments.

The motion did not prevail by a vote of **7-12-0**.

**UNFAVORABLE ROLL CALL:**

Yeas: Representatives Switalski, Bledsoe, Haugh, Barnett, Clemente, Townsend and Olumba,

Nays: Representatives Wayne Schmidt, Tyler, Gilbert, Knollenberg, Denby, Lund, Shirkey, Farrington, Glardon, Shaughnessy, Somerville and Zorn,

Pass: None.

**Representative Switalski** offered the following amendment to **SB 806 (H-1)**:

1. Amend page 140, line 19, after "unemployed." by striking out the balance of the line through "**AMOUNT.**" on line 20.

**Representative Haugh** moved to adopt the amendment.

The motion did not prevail by a vote of **7-12-0**.

**UNFAVORABLE ROLL CALL:**

Yeas: Representatives Switalski, Bledsoe, Haugh, Barnett, Clemente, Townsend and Olumba,

Nays: Representatives Wayne Schmidt, Tyler, Gilbert, Knollenberg, Denby, Lund, Shirkey, Farrington, Glardon, Shaughnessy, Somerville and Zorn,

Pass: None.

**Representative Townsend** offered the following amendments to **SB 806 (H-1)**:

1. Amend page 43, line 21, after "**CLAIMANT.**" by inserting "**IN CARRYING OUT AN ADMINISTRATIVE GARNISHMENT UNDER THIS SECTION, THE UNEMPLOYMENT AGENCY SHALL COMPLY WITH THE FOLLOWING REQUIREMENTS:**

**(A) THE AMOUNT DEDUCTED FOR ANY PAY PERIOD SHALL NOT EXCEED 20% OF DISPOSABLE PAY, EXCEPT THAT A GREATER PERCENTAGE MAY BE DEDUCTED WITH THE WRITTEN CONSENT OF THE CLAIMANT.**

**(B) THE CLAIMANT SHALL BE PROVIDED AN OPPORTUNITY TO ENTER INTO A WRITTEN AGREEMENT WITH THE UNEMPLOYMENT AGENCY, UNDER TERMS AGREEABLE TO THE HEAD OF THE AGENCY, TO ESTABLISH A SCHEDULE FOR REPAYMENT OF THE DEBT. IF THE CLAIMANT IS MAKING CONSISTENT PAYMENTS UNDER THE REPAYMENT AGREEMENT, THE AGENCY SHALL NOT INSTITUTE GARNISHMENT PROCEEDINGS.**

**(C) THE COMPLAINANT SHALL BE PROVIDED AN OPPORTUNITY FOR A HEARING IN ACCORDANCE WITH SECTION 33 OF THIS ACT CONCERNING THE EXISTENCE OR THE AMOUNT OF THE DEBT. THE GARNISHMENT SHALL BE HELD IN ABEYANCE DURING THE PENDENCY OF ANY HEARING UNDER THIS SECTION AND UNTIL A FINAL DECISION IS ISSUED.**

**(D) IF THE CLAIMANT HAS BEEN REEMPLOYED WITHIN 12 MONTHS AFTER HAVING BEEN INVOLUNTARILY SEPARATED FROM EMPLOYMENT, NO AMOUNT MAY BE DEDUCTED FROM THE DISPOSABLE PAY OF THE CLAIMANT UNTIL THE CLAIMANT HAS BEEN REEMPLOYED CONTINUOUSLY FOR AT LEAST 12 MONTHS."**

2. Amend page 43, line 27, after "**DUE**" by striking out the balance of the line through "**APPEAL,**" on line 1 of page 44.

3. Amend page 45, following line 4, by inserting:

**"(4) AN EMPLOYER SHALL NOT DISCHARGE FROM EMPLOYMENT, REFUSE TO EMPLOY, OR TAKE DISCIPLINARY ACTION AGAINST A CLAIMANT SUBJECT TO WAGE WITHHOLDING IN ACCORDANCE WITH THIS SECTION BECAUSE THE CLAIMANT'S WAGES HAVE BEEN SUBJECT TO**

**ADMINISTRATIVE GARNISHMENT."**

4. Amend page 190, line 20, after "than" by striking out "**50%**" and inserting "20%".

**Representative Bledsoe** moved to adopt the amendments.

The motion did not prevail by a vote of **7-12-0**.

**UNFAVORABLE ROLL CALL:**

Yeas: Representatives Switalski, Bledsoe, Haugh, Barnett, Clemente, Townsend and Olumba,

Nays: Representatives Wayne Schmidt, Tyler, Gilbert, Knollenberg, Denby, Lund, Shirkey, Farrington, Glardon, Shaughnessy, Somerville and Zorn,

Pass: None.

**Representative Townsend** offered the following amendment to **SB 806 (H-1)**:

1. Amend page 205, following line 22, by inserting:

"Enacting section 2. This amendatory act does not take effect unless House Bill No. 4675 of the 96th Legislature is enacted into law."

**Representative Switalski** moved to adopt the amendment.

The motion did not prevail by a vote of **7-12-0**.

**UNFAVORABLE ROLL CALL:**

Yeas: Representatives Switalski, Bledsoe, Haugh, Barnett, Clemente, Townsend and Olumba,

Nays: Representatives Wayne Schmidt, Tyler, Gilbert, Knollenberg, Denby, Lund, Shirkey, Farrington, Glardon, Shaughnessy, Somerville and Zorn,

Pass: None.

**Representative Clemente** offered the following amendments to **SB 806 (H-1)**:

1. Amend page 205, line 22, by inserting:

"Enacting section 2. This amendatory act does not take effect unless House Bill No. 5144 of the 96th Legislature is enacted into law."

2. Amend page 205, line 22, by inserting:

"Enacting section 2. This amendatory act does not take effect unless House Bill No. 5200 of the 96th Legislature is enacted into law."

**Representative Barnett** moved to adopt the amendments.

The motion did not prevail by a vote of **7-11-1**.

**UNFAVORABLE ROLL CALL:**

Yeas: Representatives Switalski, Bledsoe, Haugh, Barnett, Clemente, Townsend and Olumba,

Nays: Representatives Wayne Schmidt, Gilbert, Knollenberg, Denby, Lund, Shirkey, Farrington, Glardon, Shaughnessy, Somerville and Zorn,

Pass: Representative Tyler.

**Representative Bledsoe** offered the following amendment to **SB 806 (H-1)**:

1. Amend page 205, following line 22, by inserting:

"Enacting section 2. This amendatory act does not take effect unless House Bill No. 4681 of the 96th Legislature is enacted into law.".

**Representative Haugh** moved to adopt the amendment.

The motion did not prevail by a vote of **7-12-0**.

**UNFAVORABLE ROLL CALL:**

Yeas: Representatives Switalski, Bledsoe, Haugh, Barnett, Clemente, Townsend and Olumba,

Nays: Representatives Wayne Schmidt, Tyler, Gilbert, Knollenberg, Denby, Lund, Shirkey, Farrington, Glardon, Shaughnessy, Somerville and Zorn,

Pass: None.

**Representative Lund** moved to report **SB 806** with recommendation as substitute (**H-1**).

The motion prevailed by a vote of **12-7-0**.

**FAVORABLE ROLL CALL:**

Yeas: Representatives Wayne Schmidt, Tyler, Gilbert, Knollenberg, Denby, Lund, Shirkey, Farrington, Glardon, Shaughnessy, Somerville and Zorn,

Nays: Representatives Switalski, Bledsoe, Haugh, Barnett, Clemente, Townsend and Olumba,

Pass: None.

There being no further business to come before the committee, the Chair adjourned the meeting at 11:49 a.m.

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**Representative Wayne Schmidt, Chair**  
**House Standing Committee on Commerce**  
Malika Abdul-Basir

Committee Clerk

517-373-7256

3 Hours and 19 minutes