

Act No. 122
Public Acts of 1987
Approved by the Governor
July 18, 1987
Filed with the Secretary of State
July 20, 1987

**STATE OF MICHIGAN
84TH LEGISLATURE
REGULAR SESSION OF 1987**

Introduced by Reps. Hickner and Harrison

ENROLLED HOUSE BILL No. 4763

AN ACT to amend sections 113, 114, 219, and 221 of Act No. 431 of the Public Acts of 1984, entitled as amended "An act to prescribe the powers and duties of the department of management and budget; to define the authority and functions of its director and its organizational entities; to authorize the department to issue directives; to provide for the capital outlay program; to provide for the leasing, planning, constructing, maintaining, altering, renovating, demolishing, conveying of lands and facilities; to provide for centralized administrative services such as purchasing, payroll, record retention, data processing, and publishing; to provide for a system of internal accounting and administrative control for certain principal departments; to provide for an internal auditor in certain principal departments; to provide for certain powers and duties of certain state officers and agencies; to codify, revise, consolidate, classify, and add to the powers, duties, and laws relative to budgeting, accounting, and the regulating of appropriations; to create funds and accounts; to make appropriations; to prescribe penalties; to rescind certain executive reorganization orders; and to repeal certain acts and parts of acts," being sections 18.1113, 18.1114, 18.1219, and 18.1221 of the Michigan Compiled Laws; and to add sections 253 and 254.

The People of the State of Michigan enact:

Section 1. Sections 113, 114, 219, and 221 of Act No. 431 of the Public Acts of 1984, being sections 18.1113, 18.1114, 18.1219, and 18.1221 of the Michigan Compiled Laws, are amended and sections 253 and 254 are added to read as follows:

Sec. 113. (1) "Community college" means a community college or a junior college.

(2) "Department" means the department of management and budget.

(3) "Directives" means intergovernmental, interagency, or interdepartment administrative or procedural guidelines or instructions which do not affect the rights of, or procedures and practices available to, the public.

(4) "Director" means the director of the department of management and budget.

(5) "Energy conservation measure" means improvement of a building structurally or the installation of equipment or materials in a building for the purpose of reducing energy consumption or cost, increasing energy efficiency, or allowing the use of a renewable resource for fuel.

Sec. 114. (1) "Facility" means a building or structure along with the building's or structure's grounds, approaches, services, and appurtenances owned by, or leased through a building authority by, the state such as office buildings, research buildings, academic buildings, laboratories, hospitals, prisons, recreational structures, garages, warehouses, physical plant buildings, energy or power plants, and any other building or project included by the director if the director considers the building or project to be in the public interest. Facility does not include any of the following:

(a) A building or structure for an institution of higher education except as mutually agreed upon by the director and the governing board of the state institution of higher education.

(b) A road, bridge, or railroad under the jurisdiction of the state transportation department.

(c) An existing building or structure which is mutually agreed to be excluded from the definition of facility by the department and the state agency having jurisdiction over the building or structure.

(d) The capitol building and grounds. As used in this subdivision, "grounds" means the property upon which the state capitol building is situated, bordered on the north by Ottawa street; on the east by Capitol avenue; on the south by Allegan street; and on the west by Walnut street.

(2) "Fiscal agencies" means the senate fiscal agency and the house fiscal agency.

Sec. 219. The department may issue directives for the management, operation, maintenance, and repair of facilities. The director may determine space utilization standards. The department shall assign space, except space in the capitol building, and except to the extent that space in buildings and premises other than the capitol building is reserved for the legislature. Space occupied by the legislature shall not be removed from the legislature except as otherwise agreed by the leadership of the legislature.

Sec. 221. (1) The director may provide for the rental and lease of land and facilities for the use of state agencies in the manner provided by law. The rentals and leases shall not be effective unless approved by the board.

(2) The department may grant easements, upon terms and conditions the board determines are just and reasonable, for highway and road purposes, and for constructing, operating, and maintaining pipelines or electric, telephone, telegraph, television, gas, sanitary sewer, storm sewer, or other utility lines including all supporting fixtures and other appurtenances over, through, under, upon, and across any land belonging to this state, except lands under the jurisdiction of the department of natural resources, the department of military affairs, or the state transportation department.

(3) The department shall determine annually the prevailing market rental values of all state owned office facilities and facilities which provide private housing for state employees. The rental values determined pursuant to this subsection shall not be effective unless approved by the board. The renting and leasing of excess state owned land and buildings to private and public entities shall be at prevailing market rental values.

(4) The department shall determine the rentals for occupancy of the department of labor building in the city of Detroit pursuant to section 223.

Sec. 253. A state agency may enter into a multi-year contract for energy conservation improvements to state facilities which would be paid for from the avoided operating costs for utility service or fuel produced by the improvements.

Sec. 254. (1) Upon the request of a state agency, the public service commission shall provide to the state agency a certificate of energy cost savings based upon actual energy use and cost data as provided to the commission by the state agency.

(2) At the close of each fiscal year, the amount of any unencumbered balance of a state appropriation for fuel or utilities to a state agency which resulted due to energy management actions as certified by the public service commission, as provided in subsection (1), shall be distributed as follows:

(a) 75% of the energy cost savings, as certified by the commission, shall be carried forward to the next fiscal year and allocated to a special energy conservation work order or work project account to be used for energy conservation measures in the facilities of the state agency to which the certificate was issued.

(b) The remaining unencumbered balance shall be credited to the fund from which appropriated.

Section 2. This amendatory act shall not take effect unless House Bill No. 4776 of the 84th Legislature is enacted into law.