

Act No. 121
Public Acts of 1991
Approved by the Governor
October 11, 1991
Filed with the Secretary of State
October 11, 1991

**STATE OF MICHIGAN
86TH LEGISLATURE
REGULAR SESSION OF 1991**

Introduced by Reps. Ostling, Johnson, Knight and Bender

ENROLLED HOUSE BILL No. 4580

AN ACT to make appropriations for a capital outlay program; to set forth the provisions for its implementation within the budgetary process; to make appropriations for planning and construction at state agencies, community colleges, and universities; to make appropriations for state building authority rent and insurance; to make a grant for state building authority rent; to provide for the acquisition of land and buildings; to provide for the elimination of fire hazards; to provide for special maintenance, remodeling and addition, alteration, renovation, demolition, and other projects; to provide for elimination of occupational safety and health hazards; to provide for the award and implementation of contracts; to provide for the purchase of furnishings and equipment relative to occupancy of a project; to provide for certain advances from the general fund; to prescribe powers and duties of certain state officers and agencies; to require certain reports, plans, and agreements; to provide for the conveyance of certain state owned lands; to provide for leases; to provide for transfers; to prescribe standards and conditions relating to the appropriations; and to provide for the expenditure of the appropriations.

The People of the State of Michigan enact:

Sec. 101. There is appropriated for certain capital outlay projects at the various state agencies, universities, and community colleges for the fiscal year ending September 30, 1992, from the following funds:

TOTAL CAPITAL OUTLAY

APPROPRIATIONS SUMMARY:

GROSS APPROPRIATION	\$	323,503,300
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		3,623,600
ADJUSTED GROSS APPROPRIATION	\$	319,879,700
Federal revenues:		
Total federal revenues		73,736,100
Special revenue funds:		
Total local funds		13,371,200
Total private		2,150,000
State park improvement fund		1,200,000
State waterways fund		3,780,000
Farmland and open space preservation act tax credits		2,000,000
Game and fish protection fund - duck stamp		400,000
State trunkline fund		8,984,000
State aeronautics fund		2,898,400

For Fiscal Year
Ending Sept. 30,
1992

State building authority 3rd part reimbursement.....	\$	10,000,000
State lottery funds		1,410,000
Total restricted.....		30,672,400
State general fund/general purpose	\$	199,950,000

DEPARTMENT OF MANAGEMENT AND BUDGET

Lump Sum Projects

Special Maintenance and Remodeling and Additions

For state agencies special maintenance projects estimated to cost more than \$50,000 but less than \$500,000 and remodeling and additions projects estimated to cost less than \$500,000.....	\$	3,623,600
Energy reduction projects - state agencies		700,000

Major Special Maintenance and Remodeling

For department of mental health special maintenance and remodeling and additions projects at various ICF/MR and state psychiatric facilities.....		1,000,000
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Special Maintenance and Remodeling and Additions

For community college special maintenance and remodeling and addition projects estimated to cost more than \$50,000 but less than \$500,000.....		890,000
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Special Maintenance and Remodeling and Additions

For university special maintenance and remodeling and additions projects estimated to cost more than \$50,000 but less than \$500,000.....		5,148,000
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Fire Protection

For fire protection projects within various state agencies and at various state institutions, including the state capitol building.....		381,000
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Open Space Conversion

For removal of permanent partitions and conversion to open office space units in state buildings		400,000
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Planning and Special Studies

For conducting preliminary planning projects and special studies regarding service requirements and related facility needs of various state agencies, universities, and community colleges.....		91,000
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Construction Projects

Major Special Maintenance

State of Michigan Executive Plaza Building, Detroit - reconstruct/ waterproof building plaza (total cost not to exceed \$2,500,000 - state General fund share \$2,500,000).....		2,400,000
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Grants-In-Aid

City of Westland, Wayne County-public library project.....		625,000
Taymouth Township, County of Saginaw - water decontamination project.....		425,000

GROSS APPROPRIATION	\$	15,683,600
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Appropriated from:

Federal revenues:

HHS-HCFA title XIX-intermediate care facilities for the mentally retarded and state psychiatric facilities		1,000,000
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Interdepartmental grant revenues:

Property management revolving fund - special maintenance state facilities		3,623,600
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Special revenue funds:

Private - oil overcharge.....		700,000
State general fund/general purpose	\$	10,360,000

CORRECTIONAL CONSTRUCTION PROGRAM, INCLUDING STATE BUILDING AUTHORITY PRISON CONSTRUCTION

Corrections

Correctional facilities (see section 410 (1),(4),(5),(6)).....	\$	1,000,000
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		For Fiscal Year Ending Sept. 30, 1992
Major Special Maintenance		
GROSS APPROPRIATION	\$	1,000,000
Appropriated from:		
State general fund/general purpose	\$	1,000,000
STATE BUILDING AUTHORITY:		
Universities		
Michigan State University, veterinary clinical center addition and remodeling - to complete construction (total cost not to exceed \$46,800,000 - state building authority share \$29,800,000 - state general fund share \$17,000,000)		1,000,000
Michigan State University - renovation of Michigan animal and agricultural facilities - to continue construction		1,000,000
Northern Michigan University - Great Lakes Training Complex (Phase II) - to complete plans and begin construction		100,000
Other Agencies		
Michigan capitol committee - capitol restoration/alternative space - to continue construction/renovation (total estimated project cost - Phase I and II - \$45,000,000 - state building authority share \$41,624,000 - state general fund share \$3,376,000 - Phase III \$57,000,000 - state building authority share - \$48,450,000 - state general fund share \$8,550,000)		3,000,000
GROSS APPROPRIATION	\$	5,100,000
Appropriated from:		
Special revenue funds:		
Private - oil overcharge		1,000,000
State general fund/general purpose	\$	4,100,000
LEGISLATURE		
Special maintenance, remodeling and additions projects	\$	600,000
GROSS APPROPRIATION	\$	600,000
Appropriated from:		
State general fund/general purpose	\$	600,000
DEPARTMENT OF MENTAL HEALTH		
Construction Project		
Major Remodeling and Additions		
Major Special Maintenance		
Walter Reuther psychiatric hospital power plant - to complete plans and begin construction - total project cost and state share not to exceed \$1,800,000	\$	1,300,000
GROSS APPROPRIATION	\$	1,300,000
Appropriated from:		
State general fund/general purpose	\$	1,300,000
DEPARTMENT OF MILITARY AFFAIRS		
Lump Sum Projects		
For department of military affairs remodeling and additions and special maintenance projects estimated to cost more that \$50,000 but less than \$500,000	\$	1,764,000
Special Maintenance		
Maintenance and repair; land acquisition, property surveys and title searches		150,000
GROSS APPROPRIATION	\$	1,914,000
Appropriated from:		
Federal revenues:		
DOD-department of the army-national guard bureau		1,764,000
State general fund/general purpose	\$	150,000
DEPARTMENT OF NATURAL RESOURCES		
Major Special Maintenance		

For Fiscal Year
Ending Sept. 30,
1992

Grant-in-aid - City of Mackinac Island - Mackinac Island Waste Water Treatment System (state share not to exceed \$1,300,000).....	\$	550,000
State Park, Recreation and Wildlife Construction		
State wetlands acquisition		400,000
Statewide waterfowl habitat development.....		600,000
Purchase of development rights in unique/critical land areas		2,000,000
Thompson state fish hatchery renovations		735,000
Pere Marquette river restoration.....		125,000
Manistee river restoration		155,000
State Park Remodeling and Additions		
Buildings, utilities, and site work (projects under \$60,000), various state parks and recreation areas		1,200,000
GROSS APPROPRIATION	\$	5,765,000
Appropriated from:		
Special revenue funds:		
State park improvement fund		1,200,000
Farmland and open space preservation act tax credits.....		2,000,000
Game and fish protection fund - duck stamp.....		400,000
Ducks unlimited - private funds.....		450,000
Federal revenues:		
Game and fish protection fund - general purpose		325,000
DOI - fish and wildlife service, Dingell/Johnson.....		840,000
State general fund/general purpose	\$	550,000
Waterways Projects		
Public Access Site Program		
Region I		
Delta County - Namah, Village of Namah		45,000
Dickinson County - Norway field station, Norway.....		21,000
Emergency repairs allotment - various counties.....		20,000
Equipment repairs allotment - various counties		10,000
Small projects allotment - various counties		15,000
Region II		
Arenac county - Au Gres ramp, Au Gres		150,000
Huron county - Caseville field station, Caseville		125,000
Emergency repairs allotment - various counties.....		40,000
Equipment repairs allotment - various counties		15,000
Small projects allotment - various counties		25,000
Region III		
Jackson county - Big Wolf lake, Napoleon township.....		110,000
Livingston county - Lake Chemung, Genoa township.....		16,000
Macomb county - Harley Ensign, Harrison township		295,000
St. Clair county - Decker's landing, Clay township.....		54,000
Emergency repairs allotment - various counties.....		60,000
Equipment repairs allotment - various counties		15,000
Small projects allotment - various counties		65,000
Grants-In-Aid - Public Access Site Program		
Radio Island, City of St. Joseph.....		163,000
Ottawa county - Riverside park, Robinson township		70,000
Harbors and Docks Program		
Arenac county - Au Gres diverter wall.....		118,500
Cheboygan county - Cheboygan lock and dam repair		160,000
Emmet county - Cross Village harbor of refuge.....		1,900,000
Huron county - Port Austin restroom/shower building		200,000
Mackinac county - Mackinac Island bubbler system.....		40,000
Mackinac county - Mackinac Island facility upgrading		40,000
Preventative maintenance - various counties.....		100,000
Emergency repair - various counties.....		450,000
Engineering studies - various counties.....		60,000
Underground fuel tank replacements - various counties.....		242,500

		For Fiscal Year Ending Sept. 30, 1992
Grants-In-Aid - Harbors and Docks Program		
Cheboygan county - Mackinac City electrical upgrading.....	\$	55,000
Sanilac county - Port Sanilac mooring facility upgrade.....		100,000
GROSS APPROPRIATION	\$	4,780,000
Appropriated from:		
Special revenue funds:		
State waterways fund.....		3,780,000
Federal revenues:		
DOI-U.S. fish and wildlife service Dingell-Johnson fish restoration		1,000,000
State general fund/general purpose	\$	0
DEPARTMENT OF SOCIAL SERVICES		
Regional detention and treatment center (RDTC) - to complete plans and begin construction		
	\$	100,000
GROSS APPROPRIATION	\$	100,000
Appropriated from:		
State general fund/general purpose	\$	100,000
DEPARTMENT OF TRANSPORTATION		
STATE TRUNKLINE FUND		
Department buildings and facilities:		
Complete plans/begin, continue, complete property acquisition - salt storage buildings - district 1 (total cost not to exceed \$20,000)	\$	75,000
Department Buildings and Facilities: Construction Projects		
Combined maintenance facility, district 8 Jackson area - to complete plans and begin construction (total cost not to exceed \$3,000,000)		750,000
Reconstruction of Clare welcome center, to continue construction (total construction not to exceed \$3,000,000)		750,000
New maintenance garage, Mio, Oscoda, district 4 - to continue construction (total cost not to exceed \$2,300,000)		2,000,000
Project offices, various counties, various locations, to continue construction (total authorized cost not to exceed \$4,100,000)		500,000
Radio transmitter shelters, various statewide locations - to complete plans and begin construction (total cost not to exceed \$840,000)		84,000
Equipment storage buildings, statewide locations.....		325,000
Department Buildings and Facilities: Major Remodeling and Additions		
Energy saving modifications, various locations		350,000
Environmental pollution control measures - site investigations and toxic clean-up, various statewide locations		2,000,000
Covered salt storage facilities and brine run-off control systems, various contract agencies		650,000
Improve entrance and enlarge parking areas, Menominee welcome center - Menominee county, district 1 (total authorized cost not to exceed \$700,000)		500,000
Installation and/or replacement of hydraulic floor hoists, various locations.....		200,000
Asbestos removal projects (MIOSHA) - various locations (total cost not to exceed \$1,000,000)		200,000
Upgrade lighting and electrical systems at statewide maintenance facilities (total cost not to exceed \$500,000)		100,000
Upgrade district 3 office, Cadillac - to complete master plan		25,000
Upgrade district 5 office, Grand Rapids.....		50,000
Reroof MDOT facilities, various statewide locations		50,000
Restroom and lunchroom modifications, various statewide locations		30,000
Department Buildings and Facilities: Lump Sum Projects		
Minor remodeling and additions and special maintenance.....		120,000
Institution and Agency Roads		
Institution and agency roads		750,000
GROSS APPROPRIATION	\$	9,509,000

Appropriated from:

Federal revenues:

DOT-federal highway administration highway research, planning and construction	\$	525,000
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Special revenue funds:

State trunkline fund		8,984,000
State general fund/general purpose	\$	0

AERONAUTICS FUND: AIRPORT PROGRAMS

Statewide programs (includes \$3,400,000 discretionary contingencies).....	\$	40,205,000
Airport loan program.....		225,000
State/local airport construction.....		1,600,000
Federal/state/local airport construction		42,521,700

Alpena - Phelps Collins Airport - Alpena county
Battle Creek - W.K. Kellogg Regional Airport - Calhoun county
Detroit - Detroit city airport - Wayne County
Detroit - Metro Wayne County airport - Wayne County
Escanaba - Delta county airport - Delta County
Flint - Bishop International airport - Genesee County
Grand Rapids - Kent County International Airport - Kent County
Houghton - Houghton County Airport - Houghton County
Iron Mountain - Ford Airport - Dickinson county
Iron Mountain - Ford Airport - Dickinson county
Lansing - Capital City Airport - Clinton County
Marquette - Marquette County Airport - Marquette County
Muskegon - Muskegon County International Airport - Muskegon County
Pellston - Emmet County Airport - Emmet County
Saginaw/Tri-City International Airport - Saginaw County
Saginaw/Tri-City International Airport - Saginaw County
Traverse City - Cherry Capital Airport - Grand Traverse County
Detroit Willow Run - Willow Run Airport - Wayne County
Howell - Livingston County Airport - Livingston County
Monroe - Monroe Custer Airport - Monroe County
Oakland/Pontiac - Oakland-Pontiac Airport - Oakland County
Ironwood - Gogebic County Airport - Gogebic County
Grosse Ile - Grosse Ile Municipal Airport - Wayne County
Plymouth - Mettetal Canton - Wayne County
Clare - Clare Municipal Airport - Clare County
Evart - Evart Municipal Airport - Osceola County
Houghton Lake - Roscommon County Airport - Roscommon County
Ionia - Ionia County Airport - Ionia County
Lakeview - Lakeview - Montcalm County
Ludington - Mason county Airport - Mason County
Manistee - Manistee County Blacker Airport - Manistee County
Mason - Mason - Jewett Field - Ingham County
Ontonagon - Ontonagon County Airport - Ontonagon County
Saginaw - Harry Browne International Airport - Saginaw County
Port Huron - St. Claire County International Airport - St. Clair County
Bad Axe - Huron County Memorial Airport - Bay County
Bay City - James Clements Airport - Bay County
Cadillac - Wexford County Airport - Wexford County
Caseville - New Airport - Huron County
Greenville - Greenville Municipal Airport - Montcalm County
Holland - Tulip City Airport - Allegan County
Jackson - Jackson - Reynolds Field - Jackson County
Midland - Jack Barstow Airport - Midland County
South Haven - South Haven International - VanBuren County
St. Ignace-Mackinac County-Mackinac county

For Fiscal Year
Ending Sept. 30,
1992

Three Rivers - Three Rivers Municipal/Dr. Haines Airport - St. Joseph
County

GROSS APPROPRIATION	\$	84,551,700
Appropriated from:		
Federal revenues:		
DOT-federal aviation administration		68,282,100
Special revenue funds:		
Local		13,371,200
State aeronautics fund		2,898,400
State general fund/general purpose	\$	0

COMMUNITY COLLEGES

Grants-In-Aid

City of Saginaw - International center renovation (Delta College)	\$	250,000
GROSS APPROPRIATION	\$	250,000
Appropriated from:		
State general fund/general purpose	\$	250,000

UNIVERSITIES

Central Michigan University, primary electrical system renovation - to continue construction	\$	1,250,000
GROSS APPROPRIATION	\$	1,250,000
Appropriated from:		
State general fund/general purpose	\$	1,250,000

GRANTS

State building authority rent	\$	191,700,000
GROSS APPROPRIATION	\$	191,700,000
Appropriated from:		
Special revenue funds:		
State building authority 3rd party reimbursement		10,000,000
State lottery funds		1,410,000
State general fund/general purpose	\$	180,290,000

GENERAL SECTIONS

Sec. 201. (1) In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending from state sources in this appropriation act is \$230,622,400.00 and state appropriations to be paid to local units of government in section 101 are as follows:

CAPITAL OUTLAY

Community colleges	\$	1,140,000
Department of management and budget - grants-in-aid		1,050,000
Department of natural resources - waterways		388,000
Department of natural resources - parks		550,000
State transportation department-state aeronautics program		2,898,400
Total	\$	6,026,400

(2) When it appears to the principal executive officer of a department that state spending to local units of government will be less than the amount that was projected to be expended for any quarter, the principal executive officer shall immediately give notice of the approximate shortfall to the department of management and budget, the appropriations committees, and the fiscal agencies.

Sec. 202. As used in this act:

(a) "Appropriations committees" means the appropriations committee of the senate and the appropriations committee of the house of representatives.

(b) "Board" means the state administrative board.

(c) "BSF" means the countercyclical economic and budget stabilization fund created in section 351 of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1351 of the Michigan Compiled Laws.

(d) "Community college" means a junior or community college. Community college does not include a state agency or university.

(e) "DAG-forest service" means the United States department of agriculture, forest service.

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

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

(h) "DOD" means the United States department of defense.

(i) "DOI" means the United States department of interior.

(j) "DOT" means the United States department of transportation.

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

(l) "HHS-HCFA" means the United States department of health and human services, health care financing administration.

(m) "ICF/MR" means intermediate care facilities for the mentally retarded.

(n) "JCOS" means the joint capital outlay subcommittee of the appropriations committees.

(o) "MIOSHA" means the Michigan occupational safety and health act, Act No. 154 of the Public Acts of 1974, being sections 408.1001 to 408.1094 of the Michigan Compiled Laws.

(p) "Self-liquidating project" means a project constructed by a community college or university with money raised through the use of a debt instrument, which project is expected to generate revenues to amortize the loan; a project constructed by a community college or university with money derived from gifts or grants; or a project constructed with money of the community college or university. A self-liquidating project may or may not be a self-supporting project.

(q) "Self-supporting project" means a project of a community college or university that will house a function or activity from which revenue is generated that will cover all the direct and indirect operating costs of the project without the additional transfer of any other general fund money of the community college or university.

(r) "State agency" means an agency of state government. State agency does not include a community college or university.

(s) "University" means a 4-year university supported by the state. University does not include a community college or a state agency.

(t) "Utility system" means a utility supply or distribution system, or a combination utility supply and distribution system.

(u) "VA-DMS" means the United States veterans administration, department of medicine and surgery.

Sec. 203. The grant-in-aid appropriations in Act No. 253 of the Public Acts of 1990 and in this act are capital outlay projects subject to section 248 of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1248 of the Michigan Compiled Laws.

DEPARTMENT OF CORRECTIONS

Sec. 301. (1) Appropriations in section 101 to the department of corrections for the construction of new prisons are intended to include the construction and equipping of facilities for the Michigan state industries program from the fund sources indicated in section 101. The actual cost of construction and equipment for permanent Michigan state industries facilities commencing with the Scott regional correctional facility and including those expenditures in prior fiscal years shall be separately identified by the department of management and budget and shall be repaid as provided in this section from the correctional industries revolving fund created by the correctional industries act, Act No. 15 of the Public Acts of 1968, being sections 800.321 to 800.334 of the Michigan Compiled Laws.

(2) An expenditure for the Michigan state industries program from the general fund or BSF shall be repaid to the general fund in annual payments. The cost for construction shall be amortized over 30 years, and the cost for fixed equipment shall be amortized over 10 years. A payment is due at the end of each fiscal year. For a new facility, the first payment shall be based on the portion of the year for which the facility is available for occupancy. The interest rate shall be determined annually, shall equal the average rate of interest earnings for the common cash fund during that year, and shall be on the total outstanding balance of all such repayments less the average daily cash balance on hand in the correctional industries revolving fund during that year. If all

or part of the facility is converted to use for a program other than the Michigan state industries program, the payment from the correctional industries revolving fund shall be terminated or reduced accordingly.

(3) The department of corrections may defer part or all of a payment required by subsection (2). A deferral constitutes an extension of the effective repayment schedule with interest to be computed on the unpaid balance.

Sec. 302. A maximum security prison that is constructed or completed after October 1, 1986, shall have operating manned watchtowers, equipped with the weaponry, lighting, sighting, and communications devices necessary for effective execution of its function. The watchtowers shall be constructed pursuant to the American correctional association standards for watchtowers.

Sec. 303. (1) An appropriation and authorization contained in this act or a previous appropriations act for the construction of a new correctional facility, including a correctional camp, for which a specific site was not identified with the appropriation shall not be expended until approved by JCOS.

(2) For the purposes of this section, "site" means a city, village, township, or county in which a correctional facility may be located.

Sec. 304. None of the \$1,500,000.00 appropriated in Act No. 134 of the Public Acts of 1987 for the construction of the Michigan reformatory housing unit shall be released until an agreement has been reached between the department of corrections and the Ionia county board of commissioners similar to commitments and agreements that were given in writing to Detroit, Coldwater, and other communities in which prisons were placed in the 5 fiscal years before the fiscal year ending September 30, 1989, or communities in which prisons are in the process of being located.

Sec. 305. None of the \$42,000,000.00 appropriated in Act No. 134 of the Public Acts of 1987 for the construction of the Muskegon regional prison shall be released until the department of corrections agrees to grant to Muskegon county commitments and agreements similar to those given in writing to Detroit, Coldwater, and other communities in which prisons were placed in the 5 fiscal years before the fiscal year ending September 30, 1989, or communities in which prisons are in the process of being located.

Sec. 306. The appropriation of \$250,000.00 to the department of corrections in Act No. 253 of the Public Acts of 1990 for the Detroit SAI-probation residential aftercare facility-partial year lease payment shall carry over into the fiscal year ending September 30, 1992.

DEPARTMENT OF MANAGEMENT AND BUDGET

Sec. 401. (1) A contract shall not be let for new construction of a self-liquidating project estimated to cost more than \$500,000.00 unless the project is authorized by the JCOS. The request for legislative authorization shall be initially submitted for review to the JCOS and the department. A nonstate-funded project request shall include a complete use and financing statement as defined by a policy adopted by the JCOS. The use and financing statement for a self-liquidating or self-supporting project shall contain the estimated total construction cost and all associated estimated operating costs including a statement of anticipated revenues. As used in this section, "new construction" includes land or property acquisition, remodeling and additions, and maintenance projects.

(2) A self-liquidating project that is constructed in violation of this section shall not receive state appropriations for purposes of operating the project.

(3) A state agency, including the department of military affairs, shall not let a contract for a direct federally funded capital outlay construction or major maintenance project that is estimated to cost more than \$250,000.00 and is to be constructed on state-owned lands unless the project is approved by the department and by the JCOS. For projects over \$250,000.00, the state agency shall submit a use and finance statement as required for community colleges and universities in subsection (1). As used in this subsection, "direct federally funded" refers to a project for which federal payments made directly to the construction vendor and not to the state of Michigan.

Sec. 402. (1) A statement of a proposed facility's operating cost shall be included with the facility's schematic plans and with the facility's preliminary plans when the plans are presented to JCOS for approval.

(2) Except as otherwise expressly provided, the schematic and preliminary planning costs for a project costing \$1,000,000.00 or more, whether authorized as a specific planning project or as a line item project, shall be allocated only from the lump-sum planning account.

Sec. 403. (1) In carrying out this act and other acts containing appropriations for preliminary studies and planning, repair, maintenance, remodeling and additions, fire protection, occupational safety and health act requirements, or new construction, the department may obtain appropriated operating funds for professional services and administration of projects. For professional services, not more than \$600,000.00 shall be obtained by appropriate transfers from the project appropriation in the acts for which the department furnishes any part or all of the architectural engineering or similar professional services. A project appropriation shall not be charged with an amount greater than the cost for having the services performed by contract. Unused balances for these services shall lapse to the fund from which appropriated and not to the project appropriation. Money may also be transferred from appropriations made in this act to the department for the administration of a special maintenance, remodeling and addition, demolition, fire protection, or occupational safety and health act project. A transfer for this purpose shall not exceed 5% of the amount appropriated for each lump-sum appropriation and is available for 3 complete fiscal years from the beginning of this act's fiscal year. After 3 complete fiscal years, any unused balance shall lapse. Money may also be used for administration of projects from line item construction projects for which the department is an agent, but these transfers shall not exceed 1.5% of the amount appropriated for each individual project. Any unused balance from these projects shall not lapse at the end of each fiscal year, but shall carry over into succeeding fiscal years to be used for the purpose authorized. The department shall submit to the appropriations committees, JCOS, and the fiscal agencies a report of these transfers at the end of each fiscal year.

(2) Except as provided in subsection (1) and section 244(1) of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1244 of the Michigan Compiled Laws, an expenditure shall not be made for salaries and wages from any appropriation in this act.

Sec. 404. A state agency or university shall take steps necessary to make available federal and other money indicated in this act, to make available federal or other money that may become available for the purposes for which appropriations are made in this act, and to use any part or all the appropriations to meet matching requirements that are considered to be in the best interest of this state. However, the purpose, scope, and total estimated cost of a project shall not be altered to meet the matching requirements.

Sec. 405. This act is subject to the management and budget act, Act No. 431 of the Public Acts of 1984, being sections 18.1101 to 18.1594 of the Michigan Compiled Laws.

Sec. 406. (1) The director shall allocate lump-sum appropriations made in this act for remodeling and addition, special maintenance, major special maintenance, energy conservation, demolition, ICF/MR, air-conditioning, and fire protection projects. The director shall allocate community college and university special maintenance and remodeling and addition funds by the formula approved by the JCOS on September 18, 1986. The director shall allocate other lump sums, in order of program priority and need of the various state agencies or as otherwise based on actual building inspection reports by regulatory agencies. The director may award or approve the award of suitable professional services and construction contracts to study, plan, construct, and equip the projects authorized. Construction contracts approved by the director shall be awarded to the lowest acceptable bidders after being advertised publicly. A project authorized from a lump-sum appropriation has 3 fiscal years from the beginning of this act's fiscal year for the award of contracts after which any unencumbered balance of the appropriation or of any allocations made to a project from the appropriation shall revert to the general fund. For purposes of this subsection, a balance for a project shall not be considered encumbered unless the project is bid. For purposes of subsection (1), a project for a community college shall be considered a special maintenance or remodeling and additions project only if it costs more than \$10,000.00 but less than \$500,000.00.

(2) A specific allocation or distribution shall not be made to a community college or university unless the community college or university submits a management plan to the department for allocation or distribution according to the formula cited in subsection (1).

(3) Any remaining balances from allocations made in this section shall lapse to the general fund pursuant to the lapsing of lump sums as provided in the management and budget act, Act No. 431 of the Public Acts of 1984, being sections 18.1101 to 18.1594 of the Michigan Compiled Laws.

(4) All audits of the auditor general's office shall include a statement as to the compliance with allocations or distributions according to the formula cited in subsection (1).

(5) When allocating the appropriations in section 101 for community college special maintenance and remodeling and additions, for university special maintenance, and for university remodeling and additions, the department shall take into consideration similar appropriations contained in other budget acts.

(6) An amount shall not be expended for those lump sum projects that are over \$500,000.00 as indicated in section 101. The \$500,000.00 limitation provided by this subsection is the total project cost against which the state share requirements as provided in this act, if any, shall be applied.

(7) Before August 15, 1992, the department shall submit a report to the JCOS and the fiscal agencies indicating the total cost and status of all lump-sum projects funded under this act and any previous act that have been designated as proposed, designed, bid, under construction, or completed within the current fiscal year.

(8) A planning project or construction project appropriated for the airport program shall be considered the same as a capital outlay account and shall be subject to the requirements and restrictions stated in this act relative to all capital outlay accounts for construction unless otherwise expressly provided. This subsection does not apply to an operating account otherwise established by law.

Sec. 407. (1) The department shall provide the JCOS and the fiscal agencies with reports as considered necessary relative to the status of each planning or construction project financed by the state building authority, by this act, or by previous acts.

(2) Before August 15, 1992, the department shall report to the JCOS and the fiscal agencies for each construction project other than lump sums all of the following:

- (a) The account number and name of each construction project.
- (b) The balance remaining in each account.
- (c) The date of the last expenditure from the account.
- (d) The anticipated date of occupancy if the project is under construction.
- (e) The appropriations history for the project.
- (f) The professional service contractor.
- (g) The amount of a project financed with federal funds.
- (h) The amount of a project financed through the state building authority.
- (i) The total authorized cost for the project and the state authorized share if different than the total.

(3) Before August 15, 1992, the department shall report the following for each project by a state agency, university, or community college that is authorized for planning but is not yet authorized for construction:

- (a) The name of the project and account number.
 - (b) Whether a program statement is approved.
 - (c) Whether schematics are approved by the department.
 - (d) Whether preliminary plans are approved by the department.
 - (e) The name of the professional service contractor.
- (4) As used in this section, "project" includes appropriation line items made for purchase of real estate.

Sec. 408. (1) This section applies only to projects for community colleges.

(2) State support is directed towards the remodeling and additions, special maintenance, or construction of certain community college buildings. The community college shall obtain or provide for site acquisition and initial main utility installation to operate the facility. Funding shall be comprised of local and state shares, and the state share shall include 50% of any federal money awarded for projects appropriated in this act.

(3) The director shall not recommend to the board the release of any planning appropriation, except campus master plans, until the community college has submitted a program statement for the project to the director and to the JCOS and until the program statement is approved by the director. After the program statement is approved and the planning appropriation is released, the community college shall submit to the director for concurrence by the state the name of the firm proposed to provide professional services.

(4) Upon completion of the final planning documents for the project and before bidding, the community college shall submit final planning documents to the department for its review, approval, and certification that the purpose and scope described in the final planning documents do in fact correlate with and reflect the approved preliminary planning documents.

(5) An expenditure under this act is authorized when the release of the appropriation is approved by the board upon the recommendation of the director. The director may recommend to the board the release of any appropriation in section 101 only after the director is assured that the legal entity operating the community college to which the appropriation is made has complied with this act and has matched the amounts appropriated as required by this act, and the director has received a certified report of the advertised competitive bids for the project and the proposed budget based on the amounts of the lowest acceptable bids. A release of funds in section 101 shall not exceed 50% of the total cost of planning and construction of any project, or of any campus master plan, not including lump-sum remodeling and additions and special maintenance. Further planning and construction of a project authorized by this act shall be in accordance with the purpose

and scope as defined and delineated in the approved program statements and preliminary planning documents. This act is applicable to all projects for which planning appropriations were made in previous acts.

(6) The community colleges shall take the steps necessary to secure available federal construction and equipment money for projects funded for construction in this act if an application was not previously made. If there is a reasonable expectation that a prior year unfunded application may receive federal money in a subsequent year, the college shall take whatever action necessary to keep the application active. If federal money is received, the state share shall be adjusted accordingly as provided by this act.

(7) Not more than 50% of a capital outlay project, not including a lump-sum special maintenance project or remodeling and addition project, for a community college shall be appropriated from state and federal funds.

Sec. 409. If matching revenues are restricted in an amount less than the appropriations contained in this act, the state funds of the appropriation shall be reduced in proportion to the amount of matching revenue received.

Sec. 410. (1) Subject to the provisions of section 242 of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1242 of the Michigan Compiled Laws, the department, upon the approval of the state building authority, may expend from the general fund of the state during the fiscal year ending September 30, 1992, an amount to meet the cash flow requirements of those state building authority projects solely for lease to the state identified in both section 101 and in this section and for which state building authority bonds have not been issued, and for the sole acquisition by the state building authority of equipment and furnishings for lease to the state as permitted by Act No. 183 of the Public Acts of 1964, being sections 830.411 to 830.425 of the Michigan Compiled Laws. Any such general fund advances for which state building authority bonds have not been issued shall bear an interest cost to the state building authority at a rate not to exceed that earned by the state treasurer's common cash fund during the period in which the advances are outstanding and are repaid to the general fund of the state.

State building authority correctional facilities are listed below. They are estimated to cost \$787,612,000.00 with state building authority bonds estimated to finance \$680,632,000.00 of the cost. The combined net general fund and BSF support is estimated to be \$106,980,000.00 after recognizing set asides for the rent and general fund paybacks for the Jackson, Lapeer, and Ionia facilities.

Region 6 (Lenawee county) regional and temporary prison (total cost not to exceed \$52,200,000)

Gratiot temporary facility - Gratiot county (total cost not to exceed \$10,700,000)

Huron Valley women's correctional facility/support facilities (Washtenaw county) (total cost not to exceed \$3,850,000)

Lapeer regional prison - Lapeer county (total cost not to exceed \$36,000,000)

Jackson regional prison - Jackson county (total cost not to exceed \$36,000,000)

Ionia maximum prison - Ionia county (total cost not to exceed \$38,000,000)

Macomb regional prison - Macomb county (total cost not to exceed \$47,420,000)

Oakland regional prison - Oakland county (total cost not to exceed \$42,000,000)

Northern Michigan prison - Baraga county (total cost not to exceed \$42,000,000)

Detroit regional prisons (2) - Wayne county (total cost not to exceed \$104,800,000)

Standish maximum security prison - Arenac county (total cost not to exceed \$38,342,000)

Muskegon regional prison - Muskegon county (total cost not to exceed \$42,000,000)

Carson city regional prison - Montcalm county (total cost not to exceed \$48,000,000)

Region 5 regional prison - Saginaw (total cost not to exceed \$42,000,000)

Kinross regional prison and 2 temporary prisons - Chippewa county (total cost not to exceed \$64,300,000)

Western Wayne correctional facility (Dehoco) (total cost not to exceed \$27,500,000)

Close custody prison - Manistee county (total cost not to exceed \$42,000,000)

Camp facilities (total cost not to exceed \$28,000,000)

Maximum security prison - Alger county (total cost not to exceed \$41,000,000)

Michigan reformatory housing unit - Ionia county (total cost not to exceed \$1,500,000)

(2) Upon sale of bonds for the projects identified in section 101 and in this section, the state building authority shall credit the general fund of the state an amount equal to that expended from the general fund plus interest, if any, as defined in this section.

(3) For state building authority projects for which bonds have been issued, the state treasurer, upon the request of the state building authority, shall make advances without interest from the general fund as necessary to meet cash flow requirements for the projects which advances shall be reimbursed by the state building authority when the investments earmarked for the financing of the projects mature.

(4) In accordance with section 246 of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1246 of the Michigan Compiled Laws, the total authorized cost for the department of justice consent order is \$41,400,000.00 and the total authorized cost for the Hadix consent order is \$33,600,000.00. Before December 1, 1991, and every quarter thereafter, the department shall provide a report to the JCOS on the status of each consent order outlining the problem statement, the administrative activities to correct the problem, the total estimated cost as compared to the total authorized cost, and the current and future funding obligations and sources. Any change in the purpose and scope of a consent order shall require JCOS approval as required by section 246 of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1246 of the Michigan Compiled Laws.

(5) The appropriations identified for correctional facilities in section 1 of Act No. 316 of the Public Acts of 1984, section 1 of Act Nos. 108 and 207 of the Public Acts of 1985, section 1 of Act No. 205 of the Public Acts of 1986, and section 101 of Act No. 300 of the Public Acts of 1988 for lump-sum prison projects and new prison construction projects may also be expended for cash flow of the project costs authorized in subsection (4).

(6) It is the intention of the legislature that the balance of the bond proceeds resulting from the application of House Concurrent Resolution No. 198 of 1987 recognizing and approving the bonding of the Lapeer regional, Jackson regional, and Ionia maximum security projects is appropriated to finance the cash flow of the correctional construction program.

Sec. 411. (1) The department may expend from the lump-sum special maintenance account amounts necessary to demolish any building that is specifically authorized by law to be demolished.

(2) The department may demolish a 2-story wood frame house and its free standing garage, known as "Building 44", located at the Michigan veterans' facility at 3244 Monroe avenue, N.W., Grand Rapids, Michigan.

(3) Before July 15, 1992, each state agency, community college, and university shall report to the department the status of and planned schedule for demolition projects already authorized but not yet started, the estimated cost of the projects, and the anticipated sources of finance of the projects.

Sec. 412. The department shall not require construction contractors that are to be paid with appropriations made pursuant to this act to pay prevailing wages as a condition of any bid or contract unless the payment of prevailing wages is otherwise specifically required by law.

Sec. 413. (1) If a capital outlay appropriation is contained in a public act that was not reviewed by the JCOS during the legislative process, the director shall notify the JCOS of an allotment of that capital outlay appropriation not less than 60 days before the allotment.

(2) For the purposes of this section, "capital outlay appropriation" means an appropriation that provides for the construction, renovation, or repair of a capital facility or acquisition or development of land and that is normally reviewed by the JCOS.

Sec. 414. From a capital outlay appropriation authorizing the completion of final plans and start of construction, or an appropriation to complete plans and construction, the department shall reimburse the lump-sum planning account an amount equal to the releases made from the lump-sum planning account for studies, schematic plans, or preliminary plans for that project, after the JCOS has approved the project for final planning and start or completion of construction. This section only applies to new construction projects authorized for start of construction for the fiscal year beginning October 1, 1988.

Sec. 415. The appropriation in section 101 for state building authority rent may also be expended for 1 or more of the following purposes:

(a) Payment of the required premiums for insurance on facilities owned by the state building authority.

(b) Payment of costs that may be incurred as the result of any deductible provisions in the insurance policies purchased in accordance with subdivision (a).

(c) To the extent the amount appropriated in section 101 for state building authority rent is insufficient for payment of amounts required by subdivision (b), there is appropriated from the general fund of the state the amount necessary to satisfy those deductible provisions.

Sec. 416. It is the intention of the legislature that the university of Michigan take the necessary actions to ensure that eligible interest reimbursements from third party providers are made available to the state to satisfy part of the amount appropriated for the university of Michigan adult general hospital facility rent appropriation of \$27,917,000.00 contained within the state building authority rent appropriation in section 101. To the extent of a difference between the estimated and actual amount received, there is appropriated from the

general fund of the state the amounts necessary to satisfy the hospital rental requirements of the state building authority's 1986 revenue refunding bonds, series I. To the extent payments made to the state by the university of Michigan are required to be reimbursed pursuant to the agreement with the university of Michigan, there is appropriated from the general fund the amount necessary for such reimbursement.

Sec. 417. If the JCOS approves, the department, for purposes of administrative and fiscal efficiency, may consolidate or discontinue federal surplus property warehouses administered pursuant to Act No. 139 of the Public Acts of 1961, being sections 18.251 to 18.261 of the Michigan Compiled Laws.

Sec. 418. (1) Before money is released for the construction of a capital outlay project costing over \$500,000.00, at the request of the JCOS, the department shall submit to the JCOS, with preliminary planning documents, a detailed comparative cost analysis. The cost analysis shall include a comparison of the financial and other benefits of construction, financing, operation, and maintenance of the proposed facility between all of the following:

- (a) The state.
- (b) The private sector.
- (c) A combination of the state and the private sector.
- (d) A lease agreement.

(2) If the department's recommendation for financing is inconsistent with the findings of the comparative cost analysis, the department shall present written documentation to the JCOS outlining the rationale for the recommendation.

(3) For purposes of this section, "capital outlay project" means a construction project requiring JCOS approval including, but not limited to, a general office facility, special use facility, warehouse, institutional facility, or utility system designed for use by a state agency or university. Capital outlay project does not include a special maintenance and remodeling project, grant-in-aid project, prison facility, legislative facility, judicial facility, community college facility, or self-liquidating facility constructed by a university.

Sec. 419. The director shall submit to the JCOS for approval a formula to allocate the capital costs of any utility system between the state and a university. This allocation shall be determined before the sale of state building authority bonds for a utility system, and such allocations as determined and approved supersede any previous authorizations. The recommendation shall reflect the distribution of costs of a utility system based on the consumption ratio of energy between nonrevenue and revenue producing facilities.

Sec. 420. The following planning projects and special studies are subject to the management and budget act, Act No. 431 of the Public Acts of 1984, being sections 18.1101 to 18.1594 of the Michigan Compiled Laws:

University of Michigan

- C.C. Little laboratory renovation project (reauthorization)
- East engineering renovation project (reauthorization)
- Integrated technology instruction center (reauthorization) .
(formerly named north campus library)

Saginaw Valley State University

- Business and professional development building (reauthorization)

North Central Michigan College

- General classrooms and physical education facility

Delta College

- International center building acquisition, renovation, and expansion
- Campus modifications and renovation

Monroe Community College

- Health education building

Northern Michigan University - Campus

- Service/heating building (reauthorization)

Sec. 421. The appropriation of \$600,000.00 to the legislature for special maintenance and remodeling and additions projects of state agencies includes \$600,000.00 for the state capitol building to be allocated equally between the house of representatives and senate.

Sec. 422. Subject to section 408, a consortium comprised of a community college and a university may receive up to 100% of the total project capital cost allocated to the participating university if all of the following criteria are met and approved by the JCOS and the department:

(a) The university and the community college have entered into a binding consortium joint use agreement for use and maintenance of the facility and for the pro rata offset of the community college's and university's future state appropriations equal to the straight-line undepreciated balance of the university's appropriated capital cost upon termination of the agreement prior to the minimum term requirements in subdivision (b). Any appropriation offset required by this section shall be structured in a manner so as not to impair the rating or repayment of the local funding mechanism.

(b) The joint use agreement is for a term of not less than 15 years or the term of the local funding mechanism, whichever is longer.

(c) Articulation agreements have been entered into which provide for maximum credit transfer and efficient program completion.

(d) In addition to lower division offerings, the facility will accommodate only upper division first professional degree programs not already offered by a university currently serving the area.

(e) There is recognized community and industrial support for the consortium facility.

Sec. 423. Federal money collected from the United States veterans' administration in excess of the amount appropriated in any fiscal year and any unexpended balance at the close of a fiscal year shall be carried forward to the following fiscal year to be appropriated statewide for veterans programs.

Sec. 424. The appropriations in section 101 of this act shall be allotted within 15 days after being enacted into law, as required by section 371(2) of Act No. 431 of the Public Acts of 1984, being section 18.1371 of the Michigan Compiled Laws, and shall be released for expenditure.

Sec. 425. The appropriation in section 101 of \$250,000.00 for a grant-in-aid to the city of Saginaw for renovation of the international center, in cooperation with Delta college, is the initial appropriation of the state's share of \$500,000.00. An additional appropriation of \$250,000.00 is identified as a 1992-93 funding obligation.

Sec. 426. The appropriation in section 101 of \$1,000,000.00 to the Michigan state university - renovation of Michigan animal and agricultural facilities is designated for those portions of the renovation project which improve the performance and energy efficiency of existing animal science facilities on campus. The projects include window replacement and freezer and cooler replacement in Anthony hall, smoke house replacement in the meats laboratory, and new doors and windows in the swine and poultry research facilities.

Sec. 427. No part of phase III of the capitol restoration appropriations or authorizations may be expended, obligated, or transferred to a different phase of the restoration, without approval of the joint capital outlay subcommittee.

Sec. 428. From the appropriations made to the department of management and budget for various fire protection projects in Act No. 300 of the Public Acts of 1988 and for other construction projects in Act No. 134 of the Public Acts of 1987, the \$600,000.00 allocated to upgrade/modernize fire alarm systems-various buildings (account no. 110-07-2739-002) and the \$300,000.00 allocated for the state capitol complex central chiller system (account no. 110-07-2799-122), are hereby reappropriated to the legislature for various maintenance remodeling and additions, projects associated with the state capitol building complex, to be allocated equally between the house of representatives and the senate.

DEPARTMENT OF MILITARY AFFAIRS

Sec. 501. From the appropriation in section 101 of \$150,000.00 to the department of military affairs for maintenance and repair, land acquisition, property surveys and title searches, \$40,000.00 shall be allocated for the construction of a storage room and related traffic safety problems at the Calumet armory.

DEPARTMENT OF NATURAL RESOURCES

Sec. 601. The appropriation made in this act for the harbors and docks program is for the purpose of participating with the federal government and assisting political entities and subdivisions of this state in the construction and improvement of recreational boating facilities within this state. Subject to the approval of the board, this money shall be allocated by the department of natural resources to the federal government, or to the

political entities or local units of government involved in the particular projects. An allocation shall not exceed the state portion as listed with each project description. The department of natural resources shall take the steps necessary to match federal money available for the construction and improvement of recreational boating facilities within this state, and to meet requirements of the federal government.

Sec. 602. (1) Before August 15, 1992, the department of natural resources shall report to the JCOS the status of each project that received an appropriation in any capital outlay act, if the project is either not completed or has a balance remaining in its account. The report shall be in the same form and contain the information as required under section 407. The report shall be separated into the following areas, by fund sources:

- (a) Waterways projects.
- (b) Urban recreation projects.
- (c) State park projects.
- (d) Wildlife and fisheries projects.
- (e) Other projects.

(2) A project request for reauthorization by the department of natural resources shall also be identified within the report required by subsection (1). These reauthorization requests shall identify the subsection number of section 248 of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1248 of the Michigan Compiled Laws, that provides the reason and justification for the requested reauthorization.

(3) A project shall be reauthorized if approved by the JCOS after review by the department.

Sec. 603. The appropriation of \$550,000.00 in section 101 for a grant-in-aid to the city of Mackinac Island-Mackinac Island wastewater treatment plant expansion is the second appropriation of the state's share of \$1,300,000.00. An additional appropriation of \$550,000.00 is identified as a 1992-93 funding obligation.

STATE TRANSPORTATION DEPARTMENT

Sec. 701. (1) From federal-state-local project appropriations contained in section 101 for the purpose of assisting political entities and subdivisions of this state in the construction and improvement of publicly used airports and landing fields within this state, the state transportation department may permit the award of contracts on behalf of units of local government for the authorized locations not to exceed the indicated amounts, of which the state allocated portion shall not exceed the amount appropriated in section 101.

(2) Political entities and subdivisions shall provide not less than 5% of the cost of any project under this section. State money shall not be allocated until local money is allocated, and state money for any location shall not exceed 1/3 of the total appropriation from state aeronautics funds.

(3) The Michigan aeronautics commission may take those steps necessary to match federal money available for airport construction and improvement within this state, and to meet the matching requirements of the federal government. Whether acting alone or jointly with another political subdivision or public agency or with this state, a political subdivision or public agency of this state shall not submit to any agency of the federal government a project application for airport planning or development unless it is authorized in this act and the project application is approved by the governing body of each political subdivision or public agency making the application, and by the Michigan aeronautics commission.

Sec. 702. The state transportation department shall notify the JCOS 30 days prior to the allocation of federal/local airport discretionary contingencies appropriations authorized in section 101.

Sec. 703. (1) Before August 15, 1992, the state transportation department shall report to the JCOS the status of each project that received an appropriation in any capital outlay act, if the project is either not completed or has a balance remaining in its account. The report shall be in the same form and contain the information as required under section 407. The report shall be separated into all the following areas:

- (a) Highway programs, including each of the following:
 - (i) Lump sums.
 - (ii) Construction.
- (b) Airport programs, including each of the following:
 - (i) Lump sums.
 - (ii) Construction.

(2) A project request for reauthorization by the state transportation department shall also be identified within the reports required by subsection (1). These reauthorization requests shall identify the subsection number of section 248 of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1248 of the Michigan Compiled Laws, that provides the reason and justification for the requested reauthorization.

(3) A project shall be reauthorized if approved by the JCOS after review by the department.

Sec. 704. The state transportation department shall not expend funds for the development of land for use as a highway service plaza as proposed in section 32 of House Bill No. 5444 of the 84th Legislature, the 1988-89 executive budget recommendation for transportation, as introduced or for a tourist-oriented directional signs program, unless such a proposal is approved by the JCOS.

This act is ordered to take immediate effect.

.....
Clerk of the House of Representatives.

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Secretary of the Senate.

Approved.....

.....
Governor.