

HOUSE BILL No. 4580

EXECUTIVE BUDGET BILL

March 18, 1991, Introduced by Reps. Ostling, Johnson, Knight and Bender and referred to the Committee on Appropriations.

A bill 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, environmental, and demolition 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

fixtures and equipment relative to occupancy of a project; 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 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.....	\$	318,863,300
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Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental transfers.....	0
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ADJUSTED GROSS APPROPRIATION.....	\$	318,863,300
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Total federal revenues.....	73,411,100
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Total local funds.....	13,371,200
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Total private.....	450,000
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State park improvement fund.....	1,000,000
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State waterways fund.....	3,780,000
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State trunkline fund.....	8,984,000
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State aeronautics fund.....	2,898,400
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Total other state restricted revenues.....	17,758,600
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State general fund/general purpose.....	\$	197,210,000
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DEPARTMENT OF MANAGEMENT AND BUDGET

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1	Lump Sum Projects	
2	Special Maintenance and Remodeling and Additions	
3	For state agencies special maintenance projects	
4	estimated to cost more than \$50,000 but less than	
5	\$500,000 and remodeling and additions projects	
6	estimated to cost less than \$500,000.....	\$ 3,623,600
7	Major Special Maintenance and Remodeling	
8	For department of mental health special maintenance	
9	and remodeling and additions projects at various	
10	ICF/MR and state psychiatric facilities.....	1,000,000
11	Special Maintenance and Remodeling and Additions	
12	For community college special maintenance and	
13	remodeling and addition projects estimated to cost	
14	more than \$10,000 but less than \$500,000.....	890,000
15	Special Maintenance and Remodeling and Additions	
16	For university special maintenance and remodeling and	
17	additions projects estimated to cost more than	
18	\$50,000 but less than \$500,000.....	5,148,000
19	Fire Protection	
20	For fire protection projects within various state	
21	agencies including the State Capitol.....	381,000
22	Open Space Conversion	
23	For removal of permanent partitions and conversion to	
24	open space units in state buildings.....	900,000
25	Construction Projects	
26	GROSS APPROPRIATION.....	\$ 11,942,600

1	Appropriated from:	
2	Federal revenues:	
3	HHS-HCFA title XIX-intermediate care facilities for	
4	the mentally retarded and state psychiatric	
5	facilities.....	1,000,000
6	Property management revolving fund - special	
7	maintenance state facilities.....	3,623,600
8	State general fund/general purpose..... \$	7,319,000
9	STATE BUILDING AUTHORITY:	
10	Corrections	
11	Correctional facilities (see section 410	
12	(1),(4),(5),(6))..... \$	1,000,000
13	Corrections psychiatric hospital - to complete	
14	plans and begin construction or renovation.....	1,000
15	Universities	
16	Michigan State University, veterinary clinical center	
17	addition and remodeling - to complete construction	
18	(total cost not to exceed \$46,800,000 - state	
19	building authority share \$29,800,000 - state	
20	general fund share \$17,000,000).....	1,000,000
21	Other Agencies	
22	Michigan capitol committee - capitol	
23	restoration/alternative space - to continue	
24	construction/renovation (total estimated project	
25	cost - Phase I and II - \$45,000,000 - state	
26	building authority share \$41,624,000 - state	

1	general fund share \$3,376,000.	
2	State of Michigan Executive Plaza Building,	
3	Detroit reconstruct/waterproof building plaza	
4	(to the estimated project cost \$2,500,000 total	
5	general fund share \$2,500,000).....	4,400,000
6	GROSS APPROPRIATION.....	\$ 6,401,000
7	Appropriated from:	
8	State general fund/general purpose.....	\$ 6,401,000
9	DEPARTMENT OF MENTAL HEALTH	
10	Construction Project	
11	Walter Reuther psychiatric hospital power plant -	
12	to complete construction.....	\$ 1,300,000
13	GROSS APPROPRIATION.....	\$ 1,300,000
14	Appropriated from:	
15	State general fund/general purpose.....	\$ 1,300,000
16	DEPARTMENT OF MILITARY AFFAIRS	
17	Lump Sum Projects	
18	For department of military affairs remodeling and	
19	additions and special maintenance projects	
20	estimated to cost more than \$50,000 but less than	
21	\$500,000.....	\$ 1,764,000
22	Special Maintenance	
23	Maintenance and repair; land acquisition, property	
24	surveys and title searches.....	150,000
25	GROSS APPROPRIATION.....	\$ 1,914,000
26	Appropriated from:	

1	Federal revenues:	
2	DOD-department of the army-national guard bureau.....	1,764,000
3	State general fund/general purpose..... \$	150,000
4	DEPARTMENT OF NATURAL RESOURCES	
5	State Park, Recreation and Wildlife Construction	
6	State wetlands acquisition..... \$	400,000
7	Statewide waterfowl habitat development.....	600,000
8	Purchase of development rights in unique/critical	
9	land areas.....	2,000,000
10	Thompson state fish hatchery renovations.....	735,000
11	Pere Marquette River Restoration.....	125,000
12	Manistee river restoration.....	155,000
13	State park remodeling and additions	
14	Buildings, utilities, and site work, various	
15	state parks and recreation areas.....	1,000,000
16	GROSS APPROPRIATION..... \$	5,015,000
17	Appropriated from:	
18	Special revenue funds:	
19	State park improvement fund.....	1,000,000
20	Farmland and open space preservation act tax credits.	2,000,000
21	Duck stamp revenue.....	400,000
22	Ducks unlimited - private funds.....	450,000
23	Game and fish fund.....	325,000
24	Federal revenues:	
25	DOI - fish and wildlife service, Dingell Johnson.....	840,000
26	State general fund/general purpose..... \$	-0-

1	Waterways Projects	
2	Public Access Site Program	
3	Region I	
4	Delta County - Namah, Village of Namah.....	\$ 45,000
5	Dickinson County - Norway field station, Norway.....	21,000
6	Emergency repairs allotment - various counties.....	20,000
7	Equipment repairs allotment - various counties.....	10,000
8	Small projects allotment - various counties.....	15,000
9	Region II	
10	Arenac county - Au Gres ramp, Au Gres.....	150,000
11	Huron county - Caseville field station, Caseville....	125,000
12	Emergency repairs allotment - various counties.....	40,000
13	Equipment repairs allotment - various counties.....	15,000
14	Small projects allotment - various counties.....	25,000
15	Region III	
16	Jackson county - Big Wolf lake, Napoleon township....	110,000
17	Livingston county - Lake Chemung, Genoa township.....	16,000
18	Macomb county - Harley Ensign, Harrison township.....	295,000
19	St. Clair county - Decker's landing, Clay township...	54,000
20	Emergency repairs allotment - various counties.....	60,000
21	Equipment repairs allotment - various counties.....	15,000
22	Small projects allotment - various counties.....	65,000
23	Grants-In-Aid - Public access site program	
24	Radio Island, City of St. Joseph.....	163,000
25	Ottawa county - Riverside park, Robinson township....	70,000
26	Harbors and Docks Program	

1	Arenac county - Au Gres diverter wall.....	118,500
2	Cheboygan county - Cheboygan lock and dam repairs....	160,000
3	Emmet county - Cross Village harbor of refuge.....	1,900,000
4	Huron county - Port Austin restroom/shower building..	200,000
5	Mackinac county - Mackinac Island bubbler system.....	40,000
6	Mackinac county - Mackinac Island facility upgrading.	40,000
7	Preventative maintenance - various counties.....	100,000
8	Emergency repair - various counties.....	450,000
9	Engineering studies - various counties.....	60,000
10	Underground fuel tank - replacements -	
11	various counties.....	242,500
12	Grants-In-Aid - Harbors and Docks Program	
13	Cheboygan county - Mackinac City electrical upgrading	55,000
14	Sanilac county - Port Sanilac mooring facility	
15	upgrade.....	100,000
16	GROSS APPROPRIATION..... \$	4,780,000
17	Appropriated from:	
18	Special revenue funds:	
19	State waterways fund.....	3,780,000
20	Federal revenues:	
21	DOI-U.S. fish and wildlife service, Dingell-Johnson	
22	fish restoration.....	1,000,000
23	State general fund/general purpose..... \$	0
24	DEPARTMENT OF TRANSPORTATION	
25	STATE TRUNKLINE FUND	
26	Department buildings and facilities:	

1	Purchase property for various statewide locations....	\$ 75,000
2	Department buildings and facilities: construction	
3	projects:	
4	Combined maintenance facility, district 8 Jackson	
5	area - to continue construction (total cost	
6	not to exceed \$1,700,000).....	750,000
7	Reconstruction of Clare welcome center, to continue	
8	construction (total cost not to exceed \$3,000,000)	750,000
9	New maintenance garage, Mio, Oscoda county,	
10	District 4 to continue construction (total	
11	cost not to exceed \$2,300,000).....	2,000,000
12	Project offices, various counties, various	
13	locations, to continue construction (total	
14	cost not to exceed \$4,100,000).....	500,000
15	Radio transmitter shelters, various statewide	
16	locations - to complete plans and begin	
17	construction (total cost not to exceed \$840,000)..	84,000
18	Equipment storage buildings, statewide locations....	325,000
19	Department buildings and facilities: major	
20	remodeling and additions:	
21	Environmental pollution control measures -	
22	site investigations and toxic clean-up, various	
23	statewide locations.....	2,000,000
24	Covered salt storage facilities and brine run-off	
25	control systems, various contract agencies.....	650,000
26	Upgrade lighting and electrical systems at	

1	statewide maintenance facilities (total cost	
2	not to exceed \$500,000).....	100,000
3	Asbestos removal projects (MIOSHA) - various	
4	locations (total cost not to exceed \$1,000,000)...	200,000
5	Installation and/or replacement of hydraulic floor	
6	hoists, various locations.....	200,000
7	Energy saving modifications, various locations.....	350,000
8	Automotive and equipment repair addition, Saginaw	
9	eastside garage.....	500,000
10	Upgrade district 3 office, Cadillac - to complete	
11	master plan.....	25,000
12	Upgrade district 5 office, Grand Rapids.....	50,000
13	Reroof MDOT facilities, various statewide locations.	50,000
14	Restroom and lunchroom modifications, various	
15	statewide locations.....	30,000
16	Department and buildings and facilities: lump sum	
17	projects:	
18	Minor remodeling and additions and special	
19	maintenance.....	120,000
20	Institution and agency roads	
21	Institution and agency roads.....	750,000
22	GROSS APPROPRIATION.....	\$9,509,000
23	Appropriated from:	
24	Federal revenues:	
25	DOT - federal highway administration highway	
26	research, planning and construction.....	525,000

1	Special revenue funds:	
2	State trunkline fund.....	8,984,000
3	State general fund/general purpose..... \$	-0-
4	AERONAUTICS FUND: AIRPORT PROGRAMS	
5	Statewide programs..... \$	40,205,000
6	Airport loan program.....	225,000
7	State/local airport construction.....	1,600,000
8	Federal/state/local airport construction.....	42,521,700
9	Alpena-Phelps Collins Airport - Alpena county	
10	Battle Creek - W.K. Kellogg Regional Airport -	
11	Calhoun county	
12	Detroit - Detroit city airport - Wayne County	
13	Detroit - metro Wayne County airport - Wayne County	
14	Escanaba - delta county airport - Delta County	
15	Flint - Bishop International airport - Genesee County	
16	Grand Rapids - Kent County International Airport -	
17	Kent County	
18	Houghton - Houghton County Airport - Houghton County	
19	Iron Mountain - Ford Airport - Dickinson County	
20	Kalamazoo - Kalamazoo/Battle Creek International	
21	Airport - Kalamazoo County	
22	Lansing - Capital City Airport - Clinton County	
23	Marquette - Marquette County Airport - Marquette	
24	County	
25	Muskegon - Muskegon County International Airport -	
26	Muskegon County	

- 1 Pellston - Emmet County Airport - Emmet County
- 2 Saginaw/Tri-City International Airport - Saginaw
- 3 County
- 4 Sault Ste. Marie - Chippewa County International
- 5 Airport - Chippewa County
- 6 Traverse City - Cherry Capital Airport - Grand
- 7 Traverse County
- 8 Detroit Willow Run - Willow Run Airport - Wayne County
- 9 Howell - Livingston County Airport - Livingston County
- 10 Monroe - Monroe Custer Airport - Monroe County
- 11 Oakland/Pontiac - Oakland-Pontiac Airport - Oakland
- 12 County
- 13 Ironwood - Gogebic County Airport - Gogebic County
- 14 Grosse Ile - Grosse Ile Municipal Airport - Wayne
- 15 County
- 16 Plymouth - Mettetal Canton - Wayne County
- 17 Clare - Clare Municipal Airport - Clare County
- 18 Ewart - Ewart Municipal Airport - Osceola County
- 19 Houghton lake - Roscommon County Airport - Roscommon
- 20 County
- 21 Ionia - Ionia County Airport - Ionia County
- 22 Lakeview - Lakeview - Montcalm County
- 23 Ludington - Mason County Airport - Mason County
- 24 Manistee - Manistee County Blacker Airport -
- 25 Manistee County
- 26 Mason - Mason - Jewett Field - Ingham County

1	Ontonagon - Ontonagon County Airport - Ontonagon	
2	County	
3	Saginaw - Harry Browne International Airport -	
4	Saginaw County	
5	Port Huron - St. Clair County International Airport	
6	St. Clair County	
7	Bad Axe - Huron County Memorial Airport - Bay County	
8	Bay City - James Clements Airport - Bay County	
9	Cadillac - Wexford County Airport - Wexford County	
10	Caseville - New Airport - Huron County	
11	Greenville - Greenville Municipal Airport -	
12	Montcalm County	
13	Holland - Tulip City Airport - Allegan County	
14	Jackson - Jackson - Reynolds Field - Jackson County	
15	Midland - Jack Barstow Airport - Midland County	
16	South Haven - South Haven International -	
17	VanBuren County	
18	St. Ignace - Mackinac County	
19	Three Rivers - Three Rivers Municipal/Dr. Haines	
20	Airport - St. Joseph County	
21	GROSS APPROPRIATION.....	\$ 84,551,700
22	Appropriation from:	
23	Federal revenues:	
24	DOT-federal aviation administration.....	68,282,100
25	Special revenue funds:	
26	Local.....	13,371,200

1	State aeronautics fund.....	\$	2,898,400
2	State general fund/general purpose.....		-0-
3	UNIVERSITIES		
4	Central Michigan University, primary electrical		
5	system renovation - to continue construction.....	\$	1,250,000
6	GROSS APPROPRIATION.....	\$	1,250,000
7	Appropriated from:		
8	State general fund/general purpose.....	\$	1,250,000
9	GRANTS		
10	State building authority rent.....	\$	192,200,000
11	GROSS APPROPRIATION.....	\$	192,200,000
12	Appropriated from:		
13	Special revenue funds:		
14	State building authority 3rd party reimbursement.....		10,000,000
15	State lottery funds.....		1,410,000
16	State general fund/general purpose.....	\$	180,790,000
17	GENERAL SECTIONS		
18	Sec. 201. (1) In accordance with the provisions of section 30 of article		
19	IX of the state constitution of 1963, total state spending from state sources		
20	in this appropriation act is \$231,631,000.00 and state appropriations to be		
21	paid to local units of government in section 101 are as follows:		
22	CAPITAL OUTLAY		
23	Community colleges.....	\$	890,000
24	Department of natural resources - waterways		
25	(grants-in-aid).....		388,000
26	State transportation department-state aeronautics		

1	program.....	2,898,400
2	Total..... \$	4,176,400

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

9 Sec. 202. As used in this act:

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

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

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

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

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

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

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

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

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

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

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

1 agency.

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

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

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

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

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

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

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

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

26 (t) "Utility system" means a utility supply or distribution system, or a

1 combination utility supply and distribution system.

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

4 DEPARTMENT OF CORRECTIONS

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

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

1 program other than the Michigan state industries program, the payment from the
2 correctional industries revolving fund shall be terminated or reduced
3 accordingly.

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

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

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

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

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

26 Sec. 305. None of the \$42,000,000.00 appropriated in Act No. 134 of the

1 Public Acts of 1987 for the construction of the Muskegon regional prison shall
2 be released until the department of corrections agrees to grant to Muskegon
3 county commitments and agreements similar to those given in writing to Detroit,
4 Coldwater, and other communities in which prisons have been placed in the 5
5 fiscal years before the fiscal year ending September 30, 1989, or communities
6 in which prisons are in the process of being located.

7 DEPARTMENT OF MANAGEMENT AND BUDGET

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

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

22 (3) A state agency, including the department of military affairs, shall
23 not let a contract for a direct federally funded capital outlay construction or
24 major maintenance project that is estimated to cost more than \$250,000.00 and
25 is to be constructed on state-owned lands unless the project is approved by the
26 department and by the JCOS. For projects over \$250,000.00, the state agency

1 shall submit a use and finance statement as required for community colleges and
2 universities in subsection (1). As used in this subsection, "direct federally
3 funded" means federal payments made directly to the construction vendor and not
4 to the state of Michigan.

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

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

12 Sec. 403. (1) In carrying out this act and other acts containing
13 appropriations for preliminary studies and planning, repair, maintenance,
14 remodeling and additions, fire protection, occupational safety and health act
15 requirements, or new construction, the department may obtain appropriated
16 operating funds for professional services and administration of projects. For
17 professional services, not more than \$600,000.00 shall be obtained by
18 appropriate transfers from the project appropriation in the acts for which the
19 department furnishes any part or all of the architectural engineering or
20 similar professional services. A project appropriation shall not be charged
21 with an amount greater than the cost for having the services performed by
22 contract. Unused balances for these services shall lapse to the fund from which
23 appropriated and not to the project appropriation. Money may also be used for
24 administration of projects from line item construction projects for which the
25 department is an agent, but these transfers shall not exceed 1.5% of the amount
26 appropriated for each individual project. Any unused balance from these

1 projects shall not lapse at the end of each fiscal year, but shall carry over
2 into succeeding fiscal years to be used for the purpose authorized. The
3 department shall submit to the appropriations committees, JCOS, and the fiscal
4 agencies a report of these transfers at the end of each fiscal year.

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

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

16 Sec. 405. This act is subject to the management and budget act, Act No.
17 431 of the Public Acts of 1984, being sections 18.1101 to 18.1594 of the
18 Michigan Compiled Laws.

19 Sec. 406. (1) The lump-sum appropriations made in this act for remodeling
20 and addition, special maintenance, major special maintenance, energy
21 conservation, demolition, ICF/MR, and fire protection projects shall be
22 allocated by the director. Community college and university special maintenance
23 and remodeling and addition funds shall be allocated by the formula approved by
24 the JCOS on September 18, 1986, and for the other lump sums, in order of
25 program priority and need of the various state agencies or as otherwise based
26 on actual building inspection reports by regulatory agencies. The director may

1 award or approve the award of suitable professional services and construction
2 contracts to study, plan, construct, and equip the projects authorized.
3 Construction contracts approved by the director shall be awarded to the lowest
4 acceptable bidders after being advertised publicly. A project authorized from a
5 lump-sum appropriation has 3 fiscal years from the beginning of this act's
6 fiscal year for the award of contracts after which any unencumbered balance of
7 the appropriation or of any allocations made to a project from the
8 appropriation shall revert to the general fund. For purposes of this
9 subsection, a balance for a project shall not be considered encumbered unless
10 the project is bid. For purposes of a community and junior college, a special
11 maintenance and remodeling and additions project is defined as costing more
12 than \$10,000.00 but less than \$500,000.00. If the amount of money that would
13 be allocated to a community college or university by the formula calculates to
14 an amount less than the \$10,000 and \$50,000 minimums for community colleges and
15 universities respectively, the amount allocated shall equal the amount
16 calculated by the formula.

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

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

25 (4) All audits of the auditor general's office shall include a statement
26 as to the compliance with allocations or distributions according to the formula

1 cited in subsection (1).

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

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

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

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

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

26 (2) Before August 15, 1992, the department shall report to the JCOS and

1 the fiscal agencies the following for each construction project other than lump
2 sums:

3 (a) The account number and name of each construction project.

4 (b) The balance remaining in each account.

5 (c) The date of the last expenditure from the account.

6 (d) The anticipated date of occupancy if the project is under construction

7 (e) The appropriations history for the project.

8 (f) The professional service contractor.

9 (g) The amount of a project financed with federal funds.

10 (h) The amount of a project financed through the state building authority.

11 (i) The total authorized cost for the project and the state authorized
12 share if different than the total.

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

16 (a) The name of the project and account number.

17 (b) Whether a program statement is approved.

18 (c) Whether schematics are approved by the department.

19 (d) Whether preliminary plans are approved by the department.

20 (e) The name of the professional service contractor.

21 (4) As used in this section, "project" includes appropriation line items
22 made for purchase of real estate.

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

24 (2) State support is directed towards the remodeling and additions,
25 special maintenance, or construction of certain community college buildings.

26 The community college shall obtain or provide for site acquisition and initial

1 main utility installation to operate the facility. Funding shall be comprised
2 of local and state shares, and the state share shall include 50% of any federal
3 money awarded for projects appropriated in this act.

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

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

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

1 further planning and construction of a project authorized by this act shall be
2 in accordance with the purpose and scope as defined and delineated in the
3 approved program statements and preliminary planning documents. This act is
4 applicable to all projects for which planning appropriations were made in
5 previous acts.

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

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

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

19 Sec. 410. (1) Subject to the provisions of section 242 of Act No. 431 of
20 the Public Acts of 1984, being section 18.1242 of the Michigan Compiled Laws,
21 the department, upon the approval of the state building authority, may expend
22 from the general fund of the state during the fiscal year ending September 30,
23 1992, an amount to meet the cash flow requirements of those state building
24 authority projects identified in both section 101 and in this section solely
25 for lease to a state agency as defined in section 202 of this act when bonds
26 have not been issued, and also for the sole acquisition by the state building

1 authority of equipment and furnishings for lease to a state agency as permitted
2 by Act No. 183 of the Public Acts of 1964, being sections 830.411 to 830.425 of
3 the Michigan Compiled Laws. The restriction of advances shall apply to non
4 state agency projects bid after October 1, 1991. Any such general fund
5 advances for which state building authority bonds have not been issued shall
6 bear an interest cost to the state building authority at a rate not to exceed
7 that earned by the state treasurer's common cash fund during the period in
8 which the advances are outstanding and are repaid to the general fund of the
9 state.

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

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

17 Gratiot temporary facility - Gratiot county (total cost not to exceed
18 \$10,700,000)

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

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

22 Jackson regional prison - Jackson county (total cost not to exceed
23 \$36,000,000)

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

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

26 Oakland regional prison - Oakland county (total cost not to exceed

1 \$42,000,000)

2 Northern Michigan prison - Baraga county (total cost not to exceed

3 \$42,000,000)

4 Detroit regional prisons (2) - Wayne county (total cost not to exceed

5 \$104,800,000)

6 Standish maximum security prison - Arenac county (total cost not to exceed

7 \$38,342,000)

8 Muskegon regional prison - Muskegon county (total cost not to exceed

9 \$42,000,000)

10 Carson city regional prison - Montcalm county (total cost not to exceed

11 \$48,000,000)

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

13 Kinross regional prison and 2 temporary prisons - Chippewa county (total

14 cost not to exceed \$64,300,000)

15 Western Wayne correctional facility (Dehoco) (total cost not to exceed

16 \$27,500,000)

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

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

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

20 Michigan reformatory housing unit - Ionia county (total cost not to exceed

21 \$1,500,000)

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

26 (3) For state building authority projects for which bonds have been

1 issued, the state treasurer, upon the request of the state building authority,
2 shall make advances without interest from the general fund as necessary to meet
3 cash flow requirements for the projects which advances shall be reimbursed by
4 the state building authority when the investments earmarked for the financing
5 of the projects mature.

6 (4) In accordance with section 246 of the management and budget act, Act
7 No. 431 of the Public Acts of 1984, being section 18.1246 of the Michigan
8 Compiled Laws, the total authorized cost for the department of justice consent
9 order is \$41,400,000.00 and the total authorized cost for the Hadix consent
10 order is \$33,600,000.00.

11 (5) The appropriations identified for correctional facilities in section
12 101, in Act No. 316 of the Public Acts of 1984, in Act Nos. 108 and 207 of the
13 Public Acts of 1985, Act No. 205 of the Public Acts of 1986, Act No. 300 of the
14 Public Acts of 1988, Act No. 192 of the Public Acts of 1989, and Act No. 253 of
15 1990 for lump-sum prison projects and new prison construction projects may also
16 be expended for cash flow of the project costs authorized in subsection (4).

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

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

25 (2) The department is authorized to demolish a two-story wood frame house
26 and its free standing garage, known as Building 44, located at the Michigan
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1 Veterans' Facility at 3244 Monroe Avenue, N.W. Grand Rapids, Michigan.

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

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

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

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

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

26 Sec. 415. The appropriation in section 101 for state building authority

1 rent may also be expended for 1 or more of the following purposes:

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

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

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

11 Sec. 416. It is the intention of the legislature that the university of
12 Michigan take the necessary actions to ensure that eligible interest
13 reimbursements from third party providers are made available to the state to
14 satisfy part of the amount appropriated for the university of Michigan adult
15 general hospital facility rent appropriation of \$27,917,000.00 contained within
16 the state building authority rent appropriation in section 101. To the extent
17 of a difference between the estimated and actual amount received, there is
18 appropriated from the general fund of the state the amounts necessary to
19 satisfy the hospital rental requirements of the state building authority's 1986
20 revenue refunding bonds, series I. To the extent payments made to the state by
21 the university of Michigan are required to be reimbursed pursuant to the
22 agreement with the university of Michigan, there is appropriated from the
23 general fund the amount necessary for such reimbursement.

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

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

8 (a) The state.

9 (b) The private sector.

10 (c) A combination of the state and the private sector.

11 (d) A lease agreement.

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

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

24 Sec. 419. No part of phase II of the capitol restoration appropriations
25 can be spent until phase III - alternative space - is resolved by the
26 leadership of the house and senate. No Phase III construction expenditures may

1 be made until approved by the joint capital outlay committee.

2 Sec. 420. The director shall submit to the JCOS for approval a formula to
3 allocate the capital costs of any utility system between the state and a
4 university. This allocation must be determined prior to the sale of state
5 building authority bonds for a utility system, and such allocations as
6 determined and approved will supercede any previous authorizations. The
7 recommendation shall reflect the distribution of costs of a utility system
8 based on the consumption ratio of energy between non-revenue and revenue
9 producing facilities.

10 DEPARTMENT OF NATURAL RESOURCES

11 Sec. 501. The appropriation made in this act for the harbors and docks
12 program is for the purpose of participating with the federal government and
13 assisting political entities and subdivisions of this state in the construction
14 and improvement of recreational boating facilities within this state. Subject
15 to the approval of the board, this money shall be allocated by the department
16 of natural resources to the federal government, or to the political entities or
17 local units of government involved in the particular projects. An allocation
18 shall not exceed the state portion as listed with each project description. The
19 department of natural resources shall take the steps necessary to match federal
20 money available for the construction and improvement of recreational boating
21 facilities within this state, and to meet requirements of the federal
22 government.

23 Sec. 502. (1) Before August 15, 1992, the department of natural resources
24 shall report to the JCOS the status of each project that received an
25 appropriation in any capital outlay act, if the project is either not completed
26 or has a balance remaining in its account. The report shall be in the same form

1 and contain the information as required under section 407. The report shall be
2 separated into the following areas, by fund sources:

3 (a) Waterways projects.

4 (b) Urban recreation projects.

5 (c) State park projects.

6 (d) Wildlife and fisheries projects.

7 (e) Other projects.

8 (2) A project request for reauthorization by the department of natural
9 resources shall also be identified within the report prescribed by subsection
10 (1). These reauthorization requests shall identify the subsection number of
11 section 248 of the management and budget act, Act No. 431 of the Public Acts of
12 1985, being section 18.1248 of the Michigan Compiled Laws, that provides the
13 reason and justification for the requested reauthorization.

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

16 STATE TRANSPORTATION DEPARTMENT

17 Sec. 601. (1) From federal-state-local project appropriations contained in
18 section 101 for the purpose of assisting political entities and subdivisions of
19 this state in the construction and improvement of publicly used airports and
20 landing fields within this state, the state transportation department may
21 permit the award of contracts on behalf of units of local government for the
22 authorized locations not to exceed the indicated amounts of which the state
23 allocated portion shall not exceed the amount appropriated in section 101.

24 (2) Political entities and subdivisions shall provide not less than 5% of
25 the cost of any project under this section. State money shall not be allocated
26 until local money is allocated, and state money for any location shall not

1 exceed 1/3 of the total appropriation from state aeronautics funds.

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

12 Sec. 602. The state transportation department shall notify the JCOS 30
13 days prior to the allocation of federal/local airport discretionary
14 contingencies appropriations authorized in section 101.

15 Sec. 603. (1) Before August 15, 1992, the state transportation department
16 shall report to the JCOS the status of each project that received an
17 appropriation in any capital outlay act, if the project is either not completed
18 or has a balance remaining in its account. The report shall be in the same form
19 and contain the information as required under section 407. The report shall be
20 separated into the following areas:

21 (a) Highway programs:

22 (i) Lump sums.

23 (ii) Construction.

24 (b) Airport programs:

25 (i) Lump sums.

26 (ii) Construction.

1 (2) A project request for reauthorization by the the state transportation
2 department shall also be identified within the reports prescribed by subsection
3 (1). These reauthorization requests shall identify the subsection number of
4 section 248 of the management and budget act, Act No. 431 of the Public Acts of
5 1985, being section 18.1248 of the Michigan Compiled Laws, that provides the
6 reason and justification for the requested reauthorization.

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

9 Sec. 604. The state transportation department shall not expend funds for
10 the development of land for use as a highway service plaza as proposed in
11 section 32 of the 1988-89 executive budget recommendation for transportation,
12 which is section 32 of House Bill No. 5444 of the 84th Legislature as
13 originally introduced or for a tourist-oriented directional signs program,
14 unless such a proposal is approved by the JCOS.