



# HOUSE BILL No. 4677

April 29, 1993, Introduced by Rep. Ciaramitaro and referred to the Committee on Appropriations.

A bill to amend the title and sections 112 and 145 of Act No. 431 of the Public Acts of 1984, entitled as amended "The management and budget act," being sections 18.1112 and 18.1145 of the Michigan Compiled Laws; to add sections 397 and 398; and to repeal certain acts and parts of acts.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. The title and sections 112 and 145 of Act  
2 No. 431 of the Public Acts of 1984, being sections 18.1112 and  
3 18.1145 of the Michigan Compiled Laws, are amended and sections  
4 397 and 398 are added to read as follows:

### 5 TITLE

6 An act to prescribe the powers and duties of the department  
7 of management and budget; to define the authority and functions  
8 of its director and its organizational entities; to authorize the

1 department to issue directives; to provide for the capital outlay  
2 program; to provide for the leasing, planning, constructing,  
3 maintaining, altering, renovating, demolishing, conveying of  
4 lands and facilities; to provide for centralized administrative  
5 services such as purchasing, payroll, record retention, data pro-  
6 cessing, and publishing; to provide for a system of internal  
7 accounting and administrative control for certain principal  
8 departments; TO PROVIDE FOR A STATE ADMINISTRATIVE BOARD AND  
9 DESCRIBE ITS POWERS AND DUTIES; to provide for an internal audi-  
10 tor in certain principal departments; to provide for certain  
11 powers and duties of certain state officers and agencies; to  
12 codify, revise, consolidate, classify, and add to the powers,  
13 duties, and laws relative to budgeting, accounting, and the regu-  
14 lating of appropriations; to provide for the implementation of  
15 certain constitutional provisions; to create funds and accounts;  
16 to make appropriations; to prescribe penalties; to rescind cer-  
17 tain executive reorganization orders; to prescribe penalties; and  
18 to repeal certain acts and parts of acts.

19       Sec. 112. (1) "Appropriation" means the legislative autho-  
20 rization for expenditure or obligation of money from a state  
21 operating fund.

22       (2) "Appropriations committees" means the appropriations  
23 committee of the senate and the appropriations committee of the  
24 house of representatives.

25       (3) "Board" means the state administrative board CREATED IN  
26 SECTION 397.

1 (4) "Budget act" means an act containing appropriations  
2 ~~which~~ THAT form a portion of the state's annual budget.

3 Sec. 145. (1) As used in this section, "type I transfer"  
4 means a type I transfer as defined in section 3 of THE EXECUTIVE  
5 REORGANIZATION ACT OF 1965, Act No. 380 of the Public Acts of  
6 1965, being section 16.103 of the Michigan Compiled Laws.

7 (2) The state building authority created under Act No. 183  
8 of the Public Acts of 1964, being sections 830.411 to 830.425 of  
9 the Michigan Compiled Laws, is transferred by a type I transfer  
10 to the department.

11 (3) The following boards and agencies are transferred by a  
12 type I transfer to the department:

13 ~~(a) The judges' retirement system retirement board created~~  
14 ~~under section 3 of Act No. 198 of the Public Acts of 1951, being~~  
15 ~~section 38.803 of the Michigan Compiled Laws.~~

16 ~~(b) The municipal employees' retirement system retirement~~  
17 ~~board created under section 3 of Act No. 135 of the Public Acts~~  
18 ~~of 1945, being section 38.603 of the Michigan Compiled Laws.~~

19 ~~(c) The probate judges' retirement system retirement board~~  
20 ~~created under section 3 of Act No. 165 of the Public Acts of~~  
21 ~~1954, being section 38.903 of the Michigan Compiled Laws.~~

22 (A) ~~(d)~~ The Michigan public school employees' retirement  
23 board created under section 22 of chapter 1 of THE PUBLIC SCHOOL  
24 EMPLOYEES RETIREMENT ACT OF 1979, Act No. 300 of the Public Acts  
25 of 1980, being section 38.1322 of the Michigan Compiled Laws.

26 (B) ~~(e)~~ The state employees' retirement system retirement  
27 board created under section 3 of THE STATE EMPLOYEES' RETIREMENT

1 ACT, Act No. 240 of the Public Acts of 1943, being section 38.3  
2 of the Michigan Compiled Laws.

3 ~~(f) The state police pension board of review created under~~  
4 ~~section 5 of Act No. 251 of the Public Acts of 1935, being sec-~~  
5 ~~tion 28.105 of the Michigan Compiled Laws.~~

6 (C) ~~(g)~~ The Michigan veterans' trust fund board of trust-  
7 ees created under section 3 of Act No. 9 of the Public Acts of  
8 the First Extra Session of 1946, being section 35.603 of the  
9 Michigan Compiled Laws.

10 ~~(4) The state administrative board created under Act No. 2~~  
11 ~~of the Public Acts of 1921, being sections 17.1 to 17.3 of the~~  
12 ~~Michigan Compiled Laws, is transferred as an organizational~~  
13 ~~entity, together with all of its records, staff, property, and~~  
14 ~~funds, to the department. The provisions of any other act not~~  
15 ~~withstanding, the membership of the state administrative board~~  
16 ~~shall be the governor, who shall serve as chairperson, lieutenant~~  
17 ~~governor, secretary of state, attorney general, superintendent of~~  
18 ~~public instruction, and state treasurer. The provisions of any~~  
19 ~~other act notwithstanding, the action of the board shall become~~  
20 ~~final within 2 calendar days unless the governor, in writing,~~  
21 ~~disapproves such action.~~

22 (4) ~~(5)~~ All powers, duties, and functions of the secretary  
23 of state under Act No. 44 of the Public Acts of 1899, being sec-  
24 tions 24.1 to 24.37 of the Michigan Compiled Laws, are trans-  
25 ferred to the department.

26 SEC. 397. (1) THE STATE ADMINISTRATIVE BOARD IS CREATED IN  
27 THE DEPARTMENT.

1 (2) ALL RECORDS, STAFF, PROPERTY, AND FUNDS OF THE STATE  
2 ADMINISTRATIVE BOARD CREATED UNDER FORMER ACT NO. 2 OF THE PUBLIC  
3 ACTS OF 1921, AND PREVIOUSLY TRANSFERRED TO THE DEPARTMENT UNDER  
4 THIS ACT ARE TRANSFERRED TO THE STATE ADMINISTRATIVE BOARD CRE-  
5 ATED IN THIS SECTION.

6 (3) THE STATE ADMINISTRATIVE BOARD SHALL CONSIST OF THE FOL-  
7 LOWING MEMBERS:

8 (A) THE GOVERNOR, WHO SHALL BE THE CHAIRPERSON OF THE  
9 BOARD.

10 (B) THE LIEUTENANT GOVERNOR.

11 (C) THE ATTORNEY GENERAL.

12 (D) THE SECRETARY OF STATE.

13 (E) THE STATE TREASURER.

14 (F) THE SUPERINTENDENT OF PUBLIC INSTRUCTION.

15 (4) A MAJORITY OF THE MEMBERS OF THE STATE ADMINISTRATIVE  
16 BOARD CONSTITUTE A QUORUM FOR THE TRANSACTION OF BUSINESS AT A  
17 MEETING OF THE BOARD. A MAJORITY OF THE MEMBERS PRESENT AND  
18 SERVING ARE REQUIRED FOR OFFICIAL ACTION OF THE BOARD.

19 (5) THE GOVERNOR MAY VETO AN ACTION OF THE STATE ADMINISTRA-  
20 TIVE BOARD WITHIN 10 DAYS AFTER ITS PASSAGE. BY A CONCURRING  
21 VOTE OF 4 MEMBERS OF THE BOARD, TAKEN WITHIN 10 DAYS AFTER THE  
22 EXERCISE OF THE VETO, THE VETO OF THE GOVERNOR MAY BE OVERRULED.

23 (6) THE BUSINESS THAT THE STATE ADMINISTRATIVE BOARD MAY  
24 PERFORM SHALL BE CONDUCTED AT A PUBLIC MEETING OF THE BOARD HELD  
25 IN COMPLIANCE WITH THE OPEN MEETINGS ACT, ACT NO. 267 OF THE  
26 PUBLIC ACTS OF 1976, BEING SECTIONS 15.261 TO 15.275 OF THE  
27 MICHIGAN COMPILED LAWS.

1 (7) A WRITING PREPARED, OWNED, USED, IN THE POSSESSION OF,  
2 OR RETAINED BY THE STATE ADMINISTRATIVE BOARD IN THE PERFORMANCE  
3 OF AN OFFICIAL FUNCTION IS SUBJECT TO THE FREEDOM OF INFORMATION  
4 ACT, ACT NO. 442 OF THE PUBLIC ACTS OF 1976, BEING SECTIONS  
5 15.231 TO 15.246 OF THE MICHIGAN COMPILED LAWS.

6 (8) MEMBERS OF THE STATE ADMINISTRATIVE BOARD MAY BE REIM-  
7 BURED FOR THEIR ACTUAL AND NECESSARY EXPENSES INCURRED IN THE  
8 PERFORMANCE OF THEIR OFFICIAL DUTIES AS MEMBERS OF THE BOARD.

9 SEC. 398. (1) THE STATE ADMINISTRATIVE BOARD MAY PROVIDE  
10 FOR THE CALLING AND HOLDING OF REGULAR AND SPECIAL MEETINGS OF  
11 THE BOARD AND FOR THE GENERAL CONDUCT OF ITS BUSINESS AND  
12 AFFAIRS.

13 (2) THE STATE ADMINISTRATIVE BOARD SHALL HAVE ALL THE FOL-  
14 LOWING POWERS AND DUTIES AS PROVIDED BY LAW:

15 (A) REVIEW AND APPROVAL OF CONTRACTS WITHIN THE EXECUTIVE  
16 BRANCH IN AN AMOUNT GREATER THAN \$50,000.00.

17 (B) REVIEW AND APPROVAL OF ALLOTMENTS AND REDUCTIONS IN  
18 ALLOTMENTS GREATER THAN \$50,000.00 IN VALUE FOR AGENCIES WITHIN  
19 THE EXECUTIVE BRANCH SUBJECT TO THIS ACT.

20 (C) RETENTION AND DISPOSAL OF STATE RECORDS.

21 (D) RELEASE OF FUNDS FOR CONSTRUCTION PROJECTS.

22 (E) APPROVAL OF THE SALE OF PROPERTY RECOVERED BY THE  
23 MICHIGAN STATE POLICE.

24 (F) APPROVAL OF THE SALE OF LIQUOR BY THE LIQUOR CONTROL  
25 COMMISSION AT A DISCOUNT.

26 (G) APPROVAL OF LONG-TERM ADVANCES FROM REVOLVING FUNDS.

1 (H) SETTLEMENT OF CLAIMS OF LESS THAN \$1,000.00 AGAINST THE  
2 STATE.

3 (I) APPROVAL OF TRAVEL REGULATIONS FOR STATE EMPLOYEES.

4 (J) APPROVAL OF HIGHWAY CONSTRUCTION PROJECTS.

5 (K) APPROVAL FOR TRUNK LINE ABANDONMENTS AND  
6 ESTABLISHMENTS.

7 (L) APPROVAL OF CONTRACTS WITH LOCAL UNITS OF GOVERNMENT TO  
8 COOPERATIVELY BUILD LIMITED ACCESS HIGHWAYS.

9 (M) APPROVAL OF OIL, GAS, AND MINERAL LEASES FOR OIL, GAS,  
10 AND MINERALS OWNED BY THIS STATE.

11 (N) APPROVAL OF LAND TRANSFERS.

12 (O) ALL OTHER POWERS AND DUTIES GRANTED TO THE STATE ADMIN-  
13 ISTRATIVE BOARD UNDER THIS ACT AND AS OTHERWISE PROVIDED BY LAW.

14 (3) EXCEPT AS OTHERWISE PROVIDED IN THIS ACT, THE STATE  
15 ADMINISTRATIVE BOARD SHALL NOT DO EITHER OF THE FOLLOWING:

16 (A) TRANSFER ANY FUNDS FROM A DEPARTMENT, BOARD, AGENCY,  
17 COMMISSION, OFFICER, OR INSTITUTION TO A DIFFERENT DEPARTMENT,  
18 BOARD, AGENCY, COMMISSION, OFFICER, OR INSTITUTION.

19 (B) TRANSFER ANY FUNDS FROM 1 APPROPRIATED LINE ITEM TO A  
20 DIFFERENT APPROPRIATED LINE ITEM.

21 (4) THE STATE ADMINISTRATIVE BOARD MAY PROMULGATE RULES CON-  
22 SISTENT WITH THE POWERS AND DUTIES GRANTED TO THE BOARD UNDER  
23 THIS ACT PURSUANT TO THE ADMINISTRATIVE PROCEDURES ACT OF 1969,  
24 ACT NO. 306 OF THE PUBLIC ACTS OF 1969, BEING SECTIONS 24.201 TO  
25 24.328 OF THE MICHIGAN COMPILED LAWS.

1       Section 2. Act No. 2 of the Public Acts of 1921, being  
2 sections 17.1 to 17.3 of the Michigan Compiled Laws, is  
3 repealed.

4       Section 3. This amendatory act shall take effect October 1,  
5 1993.