

Act No. 321
Public Acts of 1996
Approved by the Governor
June 26, 1996
Filed with the Secretary of State
June 26, 1996

**STATE OF MICHIGAN
88TH LEGISLATURE
REGULAR SESSION OF 1996**

Introduced by Rep. Gilmer

ENROLLED HOUSE BILL No. 4085

AN ACT to make appropriations for various state departments and agencies for years ending September 30, 1995, September 30, 1996, and September 30, 1997 and 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 provide for the purchase of furnishings and equipment relative to occupancy of a project; to prescribe powers and duties of certain state officers and agencies; to prescribe standards and conditions relating to the appropriations; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

Sec. 101. There is hereby appropriated for certain capital outlay projects at the various state agencies, universities, and community colleges to supplement former appropriations for the fiscal year ending September 30, 1996, from the following funds:

TOTAL CAPITAL OUTLAY

GROSS APPROPRIATION	\$	5,800,400
ADJUSTED GROSS APPROPRIATION	\$	5,800,400
State general fund/general purpose	\$	5,800,400

DEPARTMENT OF MANAGEMENT AND BUDGET

Lump sum projects:

Special maintenance and remodeling and additions:

Major special maintenance and remodeling for family independence agency,

Maxey training center fencing	\$	900,000
GROSS APPROPRIATION	\$	900,000

Appropriated from:

State general fund/general purpose	\$	900,000
--	----	---------

STATE BUILDING AUTHORITY PROJECTS

Department of corrections-Michigan youth correctional facility-to complete plans and begin construction (total authorized cost \$65,000,000, state building authority share \$64,350,000, state general fund share \$650,000)	\$	650,000
Department of corrections-new facility at St. Louis-to complete plans and begin construction (total authorized cost \$75,000,000, state building authority share \$74,250,000, state general fund share \$750,000)		750,000
North Central Michigan College-multipurpose educational facility and general campus renovations-to complete plans and begin construction (total authorized cost \$7,935,000, state building authority share \$3,967,400, North Central Michigan College share \$3,967,500, state general fund share \$100)		100
Alpena Community College-concrete technology center-to complete plans and begin construction (total authorized cost \$6,720,000, state building authority share \$3,359,900, Alpena Community College share \$3,360,000, state general fund share \$100)		100
Ferris State University-elastomer institute-to complete plans and begin construction (total authorized cost \$6,650,000, state building authority share \$4,649,900, Ferris State University share \$2,000,000, state general fund share \$100)		100
Kellogg Community College-great lakes fire training institute-to complete plans and begin construction (total authorized cost \$12,000,000, state building authority share \$5,999,900, Kellogg Community College share \$6,000,000, state general fund share \$100)		100
GROSS APPROPRIATION	\$	1,400,400
Appropriated from:		
State general fund/general purpose	\$	1,400,400

GRANTS-UNIVERSITY PROJECTS

Saginaw Valley State University-energy loop-to complete plans and begin construction (total authorized cost \$3,500,000, state general fund share \$3,500,000)	\$	3,500,000
GROSS APPROPRIATION	\$	3,500,000
Appropriated from:		
State general fund/general purpose	\$	3,500,000

Sec. 102. There is hereby appropriated for certain capital outlay projects at the various state agencies, universities, and community colleges for the fiscal year ending September 30, 1997, from the following funds:

TOTAL CAPITAL OUTLAY

GROSS APPROPRIATION	\$	205,260,600
Total interdepartmental grants and intradepartment transfers	\$	0
ADJUSTED GROSS APPROPRIATION	\$	205,260,600
Total federal revenues		1,650,000
Total local funds		0
Total private		0
Total state restricted		5,320,000
State general fund/general purpose	\$	198,290,600

GRANTS-STATE BUILDING AUTHORITY RENT

State building authority rent-state agencies	\$	26,849,100
State building authority rent-department of corrections		75,360,500
State building authority rent-universities		96,523,200
State building authority rent-community colleges		6,527,800
GROSS APPROPRIATION	\$	205,260,600

Appropriated from:

Federal revenues:		
Federal funds-Grand tower facility		1,650,000

For Fiscal Year
Ending Sept. 30,
1997

Special revenue funds:
State building authority-University of Michigan-third party reimbursement..... 3,800,000
State lottery funds 1,520,000
State general fund/general purpose \$ 198,290,600

GENERAL SECTIONS FOR FISCAL YEAR 1995-96

Sec. 201. In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending from state sources for the fiscal year ending September 30, 1996 is \$5,800,400.00 and state appropriations from state sources to be paid to local units of government in section 101 are \$300.00. Appropriations from state sources shall be paid to units of local government as follows:

Alpena Community College	\$	100
Kellogg Community College.....	\$	100
North Central Michigan College.....	\$	100
Total	\$	300

Sec. 202. When it appears to the principal executive officer of a department or branch 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. 203. As used in this act for fiscal years 1995-96:

- (a) "Department" means the department of management and budget.
- (b) "JCOS" means the joint capital outlay subcommittee of the appropriations committees.
- (c) "State agency" means an agency of state government. State agency does not include a community college or university.
- (d) "State building authority" means the authority created under Act No. 183 of the Public Acts of 1964, being sections 830.411 to 830.425 of the Michigan Compiled Laws.
- (e) "University" means a 4-year university supported by the state. University does not include a community college or a state agency.

Sec. 204. 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.

DEPARTMENT OF CORRECTIONS

Sec. 301. (1) An appropriation and authorization contained in this act or a previous appropriation act for the construction or renovation of or addition to a prison facility for which a specific site was not identified with the appropriation, shall not be expended until a site is approved by the joint capital outlay subcommittee.

(2) Sites identified in this act shall only be changed upon approval of the joint capital outlay committee.

Sec. 302. Authorization contained in section 101 for a youth correctional facility is provided only if cost-effective agreements for private development of the facility cannot be secured. The authorization may also be used to purchase a privately built facility if such an arrangement is in the best interest of the state.

Sec. 303. Funds appropriated in section 101 for construction or purchase of a youth correctional facility shall not be expended if any request for proposal for a youth correctional facility has been released to vendors for bid without first being submitted to the house and senate appropriations committees, the joint capital outlay committee and the house and senate appropriations subcommittees on corrections at least 14 days before the request for proposal is released to vendors. It is the intent of the legislature that if a request for proposal for a youth correctional facility is released without approval by the house and senate appropriations committees, the joint capital outlay committee and the house and senate appropriations subcommittees on corrections, future appropriations will not be made for a youth correctional facility.

DEPARTMENT OF MANAGEMENT AND BUDGET

Sec. 401. (1) The state building authority, on behalf of the state, with the approval of the board, for the purpose of providing office and warehouse space for state agencies, may acquire for not more than the market value, subject to an independent fee appraisal, including estimated real estate taxes, various lease projects which contain purchase options in an aggregate cost not to exceed \$45,000,000.00. The state building authority is also authorized to pay any ancillary costs, other than the market value, that the state is required to pay under an option to purchase.

(2) All documents regarding the acquisition of the property described in subsection (1) shall be approved by the attorney general.

(3) The acquisition and subsequent conveyance to the state building authority shall conform to the provisions of Act No. 183 of the Public Acts of 1964, being sections 830.411 to 830.425 of the Michigan Compiled Laws.

(4) Upon completion of the purchase of the grand tower, the authorization for the acquisition of various lease projects that contain purchase options will be renewed at \$35,000,000.00.

Sec. 402. (1) Pursuant to department policy, state agencies may expend not more than \$500,000.00 from their operating budget for special maintenance purposes. In cases where the health and safety of the public, state employees, or residents in state facilities are threatened, as determined by the department and concurred in by the chair and vice chair of the JCOS, the state agencies may expend not more than \$1,000,000.00 from their operation budgets for special maintenance purposes with the approval of JCOS. If a quorum of the subcommittee is not present for an emergency meeting within 48 hours of notification by the department of management and budget, a majority of those present and voting may approve the proposed expenditure.

(2) Expenditures from operating budgets for special maintenance or other capital outlay purposes greater than \$1,000,000.00 are prohibited unless reappropriated by the legislature.

Sec. 403. The department is authorized to demolish building no. 173 at the state prison of southern Michigan.

Sec. 404. (1) If the director of the department of management and budget certifies to the senate and house appropriations committees not later than September 30, 1996 that sufficient general fund/general purpose revenue will exist at year-end to finance these appropriations, there is appropriated the following general fund/general purpose appropriations for the fiscal year ending September 30, 1996. If sufficient funds are not available, the appropriations shall not be made. If sufficient funds are available, the appropriations shall be made in the following order:

(a) Not more than \$10,000,000.00 is appropriated to the department of management and budget for cultural facilities support. Grants may be made by the department of management and budget in accordance with the following criteria:

(i) Grants must be to major cultural institutions which serve regional and statewide markets.

(ii) Grants are for support for major capital projects involving new construction or major facility renovation.

(iii) Grants, when combined with any other state operating or capital assistance provided during fiscal year 1995 and fiscal year 1996, may not exceed 15% of the total capital cost of the project.

(iv) An institution may not receive a grant or grants in excess of \$2,000,000.00.

(v) All grants designated by the department of management and budget for cultural facilities support shall require approval by a majority vote of the appropriations committees of the senate and the house of representatives.

(b) Not more than \$10,000,000.00 is appropriated for the department of transportation-bureau of aeronautics airport projects. If a general fund/general purpose appropriation for this purpose is in effect in fiscal year 1997, this appropriation may only be up to such amount as to make the total available for this purpose equal to \$10,000,000.00 under the 2 appropriations.

(c) Not more than \$10,000,000.00 is appropriated to the department of management and budget for major special maintenance and remodeling. If a general fund/general purpose appropriation for this purpose is in effect in fiscal year 1997, this appropriation may only be up to such amount as to make the total available for this purpose equal to \$10,000,000.00 under the 2 appropriations. The funds shall be allocated as follows:

(i) Department of corrections.....	\$ 7,500,000.00
(ii) Department of community health.....	\$ 1,000,000.00
(iii) Family independence agency.....	\$ 1,000,000.00
(iv) Department of state police.....	\$ 500,000.00

(2) The Michigan council for arts and cultural affairs shall recommend projects and grants described in subsection (1)(a) to the director of the department of management and budget for his or her consideration for appropriation. The recommendations by the Michigan council for arts and cultural affairs shall be advisory to the director of the department of management and budget.

(3) Any unexpended and unencumbered funds remaining on September 30, 1996, from the amounts appropriated in subsection (1)(a), (b), and (c) shall not lapse on September 30, 1996, but shall continue to be available for expenditure as work project accounts for the fiscal year ending September 30, 1997.

REPEALER

Sec. 501. Section 425 of Act No. 128 of the Public Acts of 1995 is repealed.

GENERAL SECTIONS FOR FISCAL YEAR 1996-97

Sec. 1201. In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending from state sources for the fiscal year ending September 30, 1997 is \$203,610,600.00 and state appropriations from state sources to be paid to local units of government in section 102 is \$0.00.

Sec. 1202. When it appears to the principal executive officer of a department or branch 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. 1203. As used in this act for fiscal year 1996-97:

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

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

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

(d) "State building authority" means the authority created under Act No. 183 of the Public Acts of 1964, being sections 830.411 to 830.425 of the Michigan Compiled Laws.

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

Sec. 1204. 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. 1205. The appropriation in section 102 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 102 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. 1206. (1) Pursuant to department policy, state agencies may expend not more than \$500,000.00 from their operating budget for special maintenance purposes. In cases where the health and safety of the public, state employees, or residents in state facilities are threatened, as determined by the department and concurred in by the chair and vice chair of the JCOS, the state agencies may expend not more than \$1,000,000.00 from their operation budgets for special maintenance purposes with the approval of JCOS. If a quorum of the subcommittee is not present for an emergency meeting within 48 hours of notification by the department of management and budget, a majority of those present and voting may approve the proposed expenditure.

(2) Expenditures from operating budgets for special maintenance or other capital outlay purposes greater than \$1,000,000.00 are prohibited unless reappropriated by the legislature.

Sec. 1207. (1) The state building authority, on behalf of the state, with the approval of the board, for the purpose of providing office and warehouse space for state agencies, may acquire for not more than the market value, subject to an independent fee appraisal, including estimated real estate taxes, various lease projects which contain purchase options in an aggregate cost not to exceed \$45,000,000.00. The state building authority is also authorized to pay any ancillary costs, other than the market value, that the state is required to pay under an option to purchase.

(2) All documents regarding the acquisition of the property described in subsection (1) shall be approved by the attorney general.

(3) The acquisition and subsequent conveyance to the state building authority shall conform to the provisions of Act No. 183 of the Public Acts of 1964, being sections 830.411 to 830.425 of the Michigan Compiled Laws.

(4) Upon completion of the purchase of the Grand tower, the authorization for the acquisition of various lease projects that contain purchase options will be renewed at \$35,000,000.00.

Sec. 1208. No public institution may name a building or structure after any sitting member of the legislature.

Sec. 1301. There is appropriated for the family independence agency to supplement former appropriations for the fiscal year ending September 30, 1995, from the following funds:

FAMILY INDEPENDENCE AGENCY

APPROPRIATION SUMMARY:

GROSS APPROPRIATION	\$	2,487,600
ADJUSTED GROSS APPROPRIATION		2,487,600
Special revenue funds:		
Total local revenues		5,500
State general fund/general purpose	\$	2,482,100

DELINQUENCY SERVICES

Contractual services, supplies and materials		130,100
GROSS APPROPRIATION	\$	130,100
Special revenue funds:		
Total local revenues		5,500
State general fund/general purpose	\$	124,600

ASSISTANCE PAYMENTS, SERVICES AND CLERICAL FIELD STAFF

Volunteer reimbursement		110,800
GROSS APPROPRIATION	\$	110,800
Special revenue funds:		
State general fund/general purpose		110,800

CHILD AND FAMILY SERVICES

Child abuse and neglect programming—2.0 FTE positions		394,000
Foster care payments		1,852,700
GROSS APPROPRIATION	\$	2,246,700
Special revenue funds:		
State general fund/general purpose	\$	2,246,700

FAMILY INDEPENDENCE AGENCY

Sec. 1302. The appropriation in section 1301 for the family independence agency shall be used only to cover overexpenditures which occurred in the fiscal year ending September 30, 1995. The appropriations in section 1301 are not intended to increase authorizations or expenditures for the fiscal year ending September 30, 1996. The purpose for expenditure of the funds appropriated to the family independence agency in section 1301 is to allow the state to pay vendors with bills outstanding to the state as a direct result of these overexpenditures.

This act is ordered to take immediate effect.

Clerk of the House of Representatives.

Secretary of the Senate.

Approved -----

Governor.