

**HOUSE SUBSTITUTE FOR SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5883**

A bill to amend 1984 PA 431, entitled
"The management and budget act,"
by amending sections 237, 353c, and 358 (MCL 18.1237, 18.1353c,
and 18.1358), section 237 as amended by 1999 PA 8, section 353c
as amended by 2001 PA 161, and section 358 as amended by 2000
PA 189, and by adding section 237b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 237. (1) For state agency capital outlay projects or
2 facilities, the department is responsible for development, over-
3 sight, review, and approval of program statements, studies,
4 designs, plans, management, specifications, contract documents,
5 construction management, and construction, relative to the acqui-
6 sition, construction, lease purchase, improvement, demolition, or
7 other capital outlay projects for state agencies for which an
8 appropriation or other authorization has been made.

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1 (2) The department shall approve the award, selection, and
2 employment of architects, professional engineers, construction
3 managers, and other design or construction professional services
4 contractors, subject to SECTION 237B AND rules of the department
5 of civil service, to do all of the following:

6 (a) Prepare program statements, studies, designs, plans, and
7 specifications for the construction of, repairing of, making
8 additions to, remodeling or demolition of, lease purchase of, or
9 acquisition of state facilities.

10 (b) Administer construction work, including resident inspec-
11 tors, on-site management, and supervision of construction
12 projects.

13 (3) The department may obtain independent testing services
14 to provide quality control of work performed on facilities.

15 (4) Prior to state building authority financing, the depart-
16 ment shall provide final approval of the capital outlay project
17 to ensure compliance with the authorized program, plans, and
18 specifications.

19 (5) The attorney general shall review all standard lease and
20 lease purchase agreement formats and approve any exceptions to
21 the standard formats and may assess a fee for legal services pur-
22 suant to an agreement with the department.

23 SEC. 237B. THE SELECTION OF ARCHITECTS, PROFESSIONAL ENGI-
24 NEERS, PROFESSIONAL SURVEYORS, AND QUALIFIED FIRMS SHALL BE MADE
25 IN ACCORDANCE WITH COMPETITIVE, QUALIFICATIONS-BASED SELECTION
26 PROCESSES AND PROCEDURES FOR THE TYPE OF PROFESSIONAL SERVICE
27 REQUIRED BY THE DEPARTMENT.

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1 Sec. 353c. (1) For the fiscal year ending September 30,
2 1995 only, there is appropriated from the fund to the general
3 fund the sum of \$59,500,000.00 to be used to pay the court set-
4 tlement amount for the department of natural resources in the
5 matter of Miller Brothers, et al v State of Michigan, et al
6 (Court of Claims docket no. 88-11848-CM).

7 (2) For the fiscal year ending September 30, 1995 only,
8 there is appropriated from the fund to the general fund the sum
9 of \$875,000.00 to be used to pay the court settlement liquidated
10 damages for the department of natural resources in the matter of
11 Miller Brothers, et al v State of Michigan, et al (Court of
12 Claims docket no. 88-11848-CM).

13 (3) For the fiscal year ending September 30, 1995 only,
14 there is appropriated from the fund to the general fund the sum
15 of \$30,000,000.00 to be used to pay the court settlement and pur-
16 chase mineral rights for the department of natural resources in
17 the matter of Carnagel Oil Associates, et al v State of Michigan,
18 et al (Court of Claims docket no. 88-11848-CC).

19 (4) For the fiscal year ending September 30, 1995 only,
20 there is appropriated to the department of natural resources from
21 the general fund \$59,500,000.00. This appropriation may only be
22 used to pay the court settlement associated with the matter of
23 Miller Brothers, et al v State of Michigan, et al (Court of
24 Claims docket no. 88-11848-CM).

25 (5) For the fiscal year ending September 30, 1995 only,
26 there is appropriated to the department of natural resources from
27 the general fund \$875,000.00. This appropriation may only be

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1 used to pay the court settlement liquidated damages associated
2 with the matter of Miller Brothers, et al v State of Michigan, et
3 al (Court of Claims docket no. 88-11848-CM).

4 (6) For the fiscal year ending September 30, 1995 only,
5 there is appropriated to the department of natural resources from
6 the general fund \$30,000,000.00. This appropriation may only be
7 used to pay the court settlement and purchase mineral rights
8 associated with the matter of Carnagel Oil Associates, et al v
9 State of Michigan, et al (Court of Claims docket
10 no. 88-11848-CC). The payment authorized under this subsection
11 shall be made on or before November 30, 1995.

12 (7) It is the intent of the legislature that money appropri-
13 ated from the fund to pay the court settlement and liquidated
14 damages associated with the matter of Miller Brothers, et al v
15 State of Michigan, et al (Court of Claims docket no. 88-11848-CM)
16 be repaid to the fund from the Michigan strategic fund created in
17 the Michigan strategic fund act, 1984 PA 270, MCL 125.2001 to
18 125.2093.

19 (8) It is the intent of the legislature that money appropri-
20 ated from the fund to pay the court settlement and purchase min-
21 eral rights associated with the matter of Carnagel Oil
22 Associates, et al v State of Michigan, et al (Court of Claims
23 docket no. 88-11848-CC) be repaid to the fund from the Michigan
24 strategic fund created in the Michigan strategic fund act, 1984
25 PA 270, MCL 125.2001 to 125.2093.

26 (9) Following November 13, 1995, if the recipient of the
27 \$59,500,000.00 appropriation pursuant to subsections (1) and (4)

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1 obtains, by lease, purchase, or otherwise, the mineral rights for
2 the real property that was the subject of the court settlement
3 referenced in this section, the state shall seek repayment of
4 that portion of the \$59,500,000.00 settlement that was not
5 attributed to the cost of the initial lease or to lawfully
6 accrued interest.

7 (10) For the fiscal year ending September 30, 2001 only,
8 there is appropriated from the fund to the general fund the sum
9 of \$77,000,000.00.

10 (11) For the fiscal year ending September 30, 2001 only, the
11 state budget director, before the final accounting of state reve-
12 nues and expenditures is completed, shall calculate the amount of
13 funds that will be necessary to ensure a zero balance in the gen-
14 eral fund/general purpose state budget at bookclosing. This cal-
15 culation shall be made excluding any net general fund/general
16 purpose appropriation lapses that occur when the final accounting
17 of state expenditures is completed. For purposes of this calcu-
18 lation, the closure or reduction of prior year work projects
19 shall not be considered appropriation lapses. The state budget
20 director shall provide a report to the house and senate appropri-
21 ations committees and the house and senate fiscal agencies of
22 this calculation as soon as it is completed. Based on this cal-
23 culation, there is appropriated from the fund to the general fund
24 the amount calculated by the state budget director, not to exceed
25 \$200,000,000.00.

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1 (12) For the fiscal year ending September 30, 2002 only,
2 there is appropriated from the fund to the general fund the sum
3 of ~~-\$155,000,000.00~~ \$335,000,000.00.

4 (13) In addition to subsection (12), for the fiscal year
5 ending September 30, 2002 only, ~~the state budget director,~~
6 ~~before the final accounting of state revenues and expenditures is~~
7 ~~completed, shall calculate the amount of funds that will be nec-~~
8 ~~essary to ensure a zero balance in the school aid fund state~~
9 ~~budget at bookclosing. The state budget director shall provide a~~
10 ~~report to the house and senate appropriations committees and the~~
11 ~~house and senate fiscal agencies of this calculation as soon as~~
12 ~~it is completed. Based on this calculation,~~ there is appropri-
13 ated from the fund to the school aid fund the ~~amount calculated~~
14 ~~by the state budget director, not to exceed~~ SUM OF
15 \$350,000,000.00.

16 (14) FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002 ONLY, THE
17 STATE BUDGET DIRECTOR, BEFORE THE FINAL ACCOUNTING OF STATE REVE-
18 NUES AND EXPENDITURES IS COMPLETED, SHALL CALCULATE THE AMOUNT OF
19 FUNDS THAT WILL BE NECESSARY TO ENSURE A ZERO BALANCE IN THE GEN-
20 ERAL FUND STATE BUDGET AT BOOKCLOSING. THIS CALCULATION SHALL BE
21 MADE EXCLUDING \$114,500,000.00. THE STATE BUDGET DIRECTOR SHALL
22 PROVIDE A REPORT TO THE HOUSE AND SENATE APPROPRIATIONS COMMIT-
23 TEES AND THE HOUSE AND SENATE FISCAL AGENCIES OF THIS CALCULATION
24 AS SOON AS IT IS COMPLETED. BASED ON THIS CALCULATION, THERE IS
25 APPROPRIATED FROM THE FUND TO THE GENERAL FUND THE AMOUNT CALCU-
26 LATED BY THE STATE BUDGET DIRECTOR.

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1 (15) FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2003 ONLY,
2 THERE IS APPROPRIATED FROM THE FUND TO THE GENERAL FUND THE SUM
3 OF \$207,000,000.00.

4 Sec. 358. (1) Except as otherwise provided in this section,
5 the legislature may make an emergency appropriation from the fund
6 subject to all of the following conditions:

7 (a) The maximum appropriation from the fund for budget sta-
8 bilization as provided in section 352(2) has already been made
9 for the current fiscal year.

10 (b) The legislature has approved the emergency appropria-
11 tions bill by a 2/3 majority vote of the members elected to and
12 serving in each house.

13 (c) The emergency appropriations bill becomes law.

14 (2) The additional transfer from the fund may be made only
15 for the current fiscal year.

16 (3) For ~~each~~ THE fiscal year ~~—, beginning with the fiscal~~
17 ~~year~~ ending September 30, 2001, ~~—and ending with—~~ the fiscal
18 year ending September 30, ~~—2016—~~ 2002 AND FOR EACH FISCAL YEAR
19 BEGINNING WITH THE FISCAL YEAR ENDING SEPTEMBER 30, 2004 AND
20 ENDING WITH THE FISCAL YEAR ENDING SEPTEMBER 30, 2016, there is
21 appropriated and transferred from the fund to the state trunk
22 line fund established under section 11 of 1951 PA 51,
23 MCL 247.661, the sum of \$35,000,000.00.

24 (4) For the fiscal year ending September 30, 2000, there is
25 appropriated and transferred from the fund to the state trunk
26 line fund established under section 11 of 1951 PA 51,
27 MCL 247.661, the sum of \$37,100,000.00.

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1 (5) For the fiscal year ending September 30, 2000, an amount
2 equal to the unreserved general fund general purpose balance
3 transferred to the fund for the fiscal year ending September 30,
4 2000, but not to exceed \$62,900,000.00, is appropriated and
5 transferred from the fund to the state trunk line fund estab-
6 lished under section 11 of 1951 PA 51, MCL 247.661.