

# SENATE BILL No. 1099

February 13, 2002, Introduced by Senators Gast, Schwarz, Johnson, McManus, Gougeon and Young and referred to the Committee on Appropriations.

## EXECUTIVE BUDGET BILL

A bill to make, supplement, and adjust appropriations for certain capital outlay programs and state departments and agencies for the fiscal years ending September 30, 2002 and September 30, 2003; to implement the appropriations within the budgetary process; to make appropriations for state building authority rent and insurance; to make a grant for state building authority rent; to provide for the acquisition of land and buildings; to provide for the elimination of fire hazards; to provide for special maintenance, remodeling and addition, alteration, renovation, demolition, and other projects; to provide for elimination of occupational safety and health hazards; to provide for the award

and implementation of contracts; to provide for the purchase of furnishings and equipment relative to occupancy of a project; to provide for the development of public recreation facilities; to provide for certain advances from the general fund; to prescribe powers and duties of certain state officers and agencies; to require certain reports, plans, and agreements; to provide for leases; to provide for transfers; to prescribe standards and conditions relating to the appropriations; and to provide for the expenditure of appropriations.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1 **PART 1**

2 **LINE-ITEM APPROPRIATIONS FOR FISCAL YEAR 2002-2003**

3 Sec. 101. Subject to the conditions set for in this bill, the  
4 amounts listed in this part are appropriated for certain capital  
5 outlay projects at the various state agencies for the fiscal year  
6 ending September 30, 2003, from the funds indicated in this part.  
7 The following is a summary of the appropriations in this part:

8 **CAPITAL OUTLAY**

9 **APPROPRIATION SUMMARY:**

10	GROSS APPROPRIATION . . . . .	\$ 562,769,900
11	Interdepartmental grant revenues:	
12	Total interdepartmental grants and	
13	intradepartmental transfers . . . . .	4,000,000
14	ADJUSTED GROSS APPROPRIATION . . . . .	\$ 558,769,900
15	Federal revenues:	
16	Total federal revenues . . . . .	165,042,000
17	Special revenue funds:	
18	Total local funds . . . . .	43,000,000

1	Total private funds . . . . .	0
2	Total state restricted revenues . . . . .	46,245,000
3	State general fund/general purpose . . . . .	\$ 304,482,900
4	<b>Sec. 102. DEPARTMENT OF AGRICULTURE</b>	
5	Farmland and open space development acquisition	<u>\$ 5,000,000</u>
6	GROSS APPROPRIATION . . . . .	\$ 5,000,000
7	Appropriated from:	
8	Special revenue funds:	
9	Farmland and open space withdrawal fees . . . . .	5,000,000
10	State general fund/general purpose . . . . .	\$ 0
11	<b>Sec. 103. DEPARTMENT OF MANAGEMENT AND BUDGET</b>	
12	Lump sum projects:	
13	Major special maintenance and remodeling:	
14	For state agencies special maintenance projects	
15	estimated to cost more than \$100,000 but	
16	less than \$1,000,000 . . . . .	\$ 4,000,000
17	Special maintenance, remodeling and additions:	
18	Major special maintenance and remodeling	
19	for department of community health . . . . .	500,000
20	Major special maintenance and remodeling for	
21	department of corrections . . . . .	2,077,700
22	Major special maintenance and remodeling for	
23	family independence agency . . . . .	550,000
24	Major special maintenance and remodeling for	
25	department of management and budget . . . . .	712,500
26	Major special maintenance and remodeling for	
27	department of state police . . . . .	<u>256,300</u>
28	GROSS APPROPRIATION . . . . .	\$ 8,096,500

1     Appropriated from:  
 2   Interdepartmental grant revenues:  
 3     IDG from building occupancy charges . . . . . 4,000,000  
 4   Special revenue funds:  
 5     State general fund/general purpose . . . . . \$ 4,096,500  
 6     **Sec. 104. DEPARTMENT OF MILITARY AFFAIRS**  
 7     Lump sum projects:  
 8     For department of military affairs remodeling,  
 9       additions, and special maintenance projects . \$ 2,711,700  
 10   GROSS APPROPRIATION . . . . . \$ 2,711,700  
 11   Appropriated from:  
 12   Federal revenues:  
 13     DOD, department of the army, national guard  
 14       bureau . . . . . 1,492,000  
 15   Special revenue funds:  
 16     State general fund/general purpose . . . . . \$ 1,219,700  
 17     **Sec. 105. DEPARTMENT OF NATURAL RESOURCES**  
 18     **(1) APPROPRIATION SUMMARY:**  
 19     GROSS APPROPRIATION . . . . . \$ 29,050,000  
 20   Interdepartmental grant revenues:  
 21     Total interdepartmental grants and  
 22       intradepartmental transfers . . . . . 0  
 23   ADJUSTED GROSS APPROPRIATION . . . . . \$ 29,050,000  
 24   Total federal revenues . . . . . 3,550,000  
 25   Total local revenues . . . . . 0  
 26   Total state restricted revenues . . . . . 25,500,000  
 27   State general fund/general purpose . . . . . \$ 0  
 28     **(2) STATE PARK REMODELING AND FOREST**

1	<b>LAND IMPROVEMENTS:</b>	
2	State parks repair and maintenance . . . . .	\$ 2,500,000
3	Forest roads, bridges, and facilities . . . . .	<u>800,000</u>
4	GROSS APPROPRIATION . . . . .	\$ 3,300,000
5	Appropriated from:	
6	Special revenue funds:	
7	Forest development fund . . . . .	800,000
8	State park endowment fund . . . . .	1,000,000
9	State park improvement fund . . . . .	1,500,000
10	State general fund/general purpose . . . . .	\$ 0
11	<b>(3) WATERWAYS BOATING PROGRAM:</b>	
12	Boating program, state boating access projects	\$ 25,000
13	Boating program, boating access sites,	
14	grant-in-aid:	
15	Escanaba, Delta county, north shore boating	
16	access site . . . . .	1,000,000
17	Boating program, state harbors and docks:	
18	Infrastructure improvements, field initiatives,	
19	and engineering studies . . . . .	3,400,000
20	Mackinaw City, new marina (total project cost	
21	(\$7,200,000, state share \$4,625,000) . . . . .	3,025,000
22	Land acquisitions . . . . .	2,200,000
23	Cedar River, new marina (total project cost	
24	(\$5,200,000, state share \$5,200,000) . . . . .	1,600,000
25	Mackinac Island, marina expansion (total project	
26	cost \$11,025,000, state share \$11,025,000) .	9,025,000
27	Boating harbor projects, grants-in-aid:	
28	Infrastructure improvements and engineering	

1	studies . . . . .	800,000
2	Traverse City, Grand Traverse County, basin	
3	upgrade and breakwater construction	
4	(total project cost \$10,000,000; state	
5	share \$7,500,000) . . . . .	2,500,000
6	Whitehall, Muskegon County, restroom/shower	
7	upgrade (total project cost \$250,000,	
8	state share \$125,000) . . . . .	<u>125,000</u>
9	GROSS APPROPRIATION . . . . .	\$ 23,700,000
10	Appropriated from:	
11	Federal revenues:	
12	DOI, U.S. fish and wildlife service, Dingell-	
13	Johnson . . . . .	3,000,000
14	Special revenue funds:	
15	State waterways fund . . . . .	20,700,000
16	State general fund/general purpose . . . . .	\$ 0
17	<b>(4) WILDLIFE HABITAT AND MAINTENANCE:</b>	
18	Deer habitat development and acquisition . . .	\$ 1,500,000
19	State game and wildlife area maintenance . . .	<u>550,000</u>
20	GROSS APPROPRIATION . . . . .	\$ 2,050,000
21	Appropriated from:	
22	Federal revenues:	
23	DOI, U.S. fish and wildlife service,	
24	Pittman-Robertson . . . . .	550,000
25	Special revenue funds:	
26	Deer range improvement funds . . . . .	1,500,000
27	State general fund/general purpose . . . . .	\$ 0
28	<b>Sec. 106. DEPARTMENT OF TRANSPORTATION</b>	

1       **(1) APPROPRIATION SUMMARY:**

2       GROSS APPROPRIATION . . . . . \$   226,600,000

3       Interdepartmental grant revenues:

4       Total interdepartmental grants and

5       intradepartmental transfers . . . . . 0

6       ADJUSTED GROSS APPROPRIATION . . . . . \$   226,600,000

7       Total federal revenues . . . . . 160,000,000

8       Total local revenues . . . . . 43,000,000

9       Total state restricted revenues . . . . . 11,600,000

10      State general fund/general purpose . . . . . \$   12,000,000

11      **(2) DEPARTMENT BUILDINGS AND FACILITIES:**

12      Salt storage buildings, and brine run-off

13      control systems - contract agencies locations \$   1,000,000

14      Construct, renovate, and/or replace salt

15      storage buildings - various maintenance

16      garage locations . . . . . 500,000

17      New project offices - various statewide

18      locations . . . . . 2,000,000

19      Purchase property - various statewide locations 500,000

20      Reroof facilities, fence properties, and

21      install bituminous surface/resurfacing-

22      various statewide locations . . . . . 450,000

23      Monroe welcome center construction (total

24      project cost of \$3,000,000) . . . . . 3,000,000

25      Institutional and agency roads . . . . . 750,000

26      Miscellaneous remodeling and additions -

27      various statewide locations . . . . . 1,400,000

28      GROSS APPROPRIATION . . . . . \$   9,600,000

1	Appropriated from:	
2	Special revenue funds:	
3	State trunkline fund . . . . .	9,600,000
4	State general fund/general purpose . . . . .	\$ 0
5	<b>(3) AERONAUTICS PROGRAMS:</b>	
6	Airport safety and protection plan . . . . .	<u>\$ 217,000,000</u>
7	GROSS APPROPRIATION . . . . .	\$ 217,000,000
8	Appropriated from:	
9	Federal revenues:	
10	DOT-federal aviation administration . . . . .	160,000,000
11	Special revenue funds:	
12	Local funds . . . . .	43,000,000
13	State aeronautics fund . . . . .	2,000,000
14	State general fund/general purpose . . . . .	\$ 12,000,000
15	<b>Sec. 107. STATE BUILDING AUTHORITY RENT</b>	
16	State building authority rent - state agencies	\$ 61,585,200
17	State building authority rent - department of	
18	corrections . . . . .	81,893,500
19	State building authority rent - universities .	128,031,000
20	State building authority rent - community	
21	colleges . . . . .	<u>19,802,000</u>
22	GROSS APPROPRIATION . . . . .	\$ 291,311,700
23	Appropriated from:	
24	Special revenue funds:	
25	Grand tower facility reimbursement . . . . .	2,150,000
26	Lottery funds . . . . .	1,520,000
27	Roosevelt parking reimbursement . . . . .	275,000
28	State building authority-University of	



1 Michigan, third party reimbursement . . . . . 200,000

2 State general fund/general purpose . . . . . \$ 287,166,700

3 PART 1A

4 LINE-ITEM APPROPRIATIONS FOR FISCAL YEAR 2001-2002

5 **Sec. 108. SUMMARY**

6 Subject to the conditions set forth in this bill, the amounts  
7 listed in this part are appropriated for certain capital outlay  
8 projects at the departments of military and veterans affairs and  
9 natural resources for the fiscal year ending September 30, 2002,  
10 from the funds indicated in this part. The following is a summary  
11 of the appropriations in this part:

12 **CAPITAL OUTLAY**

13 APPROPRIATION SUMMARY:

14 GROSS APPROPRIATION . . . . . \$ 88,500,000

15 Interdepartmental grant revenues:

16 Total interdepartmental grants and

17 intradepartmental transfers . . . . . 0

18 ADJUSTED GROSS APPROPRIATION . . . . . \$ 88,500,000

19 Federal revenues:

20 Total federal revenues . . . . . 53,125,000

21 Special revenue funds:

22 Total local revenues . . . . . 15,000,000

23 Total private revenues . . . . . 0

24 Total state restricted revenues . . . . . 20,375,000

25 State general fund/general purpose . . . . . \$ 0

26 **Sec. 109. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

27 Jackson armory replacement (total project cost

28 \$10,000,000, federal share \$7,500,000,

1	and state share \$2,500,000) . . . . .	\$ 10,000,000
2	Calumet armory replacement (total project cost	
3	\$5,500,000, federal share \$4,125,000, and	
4	state share \$1,375,000) . . . . .	5,500,000
5	Grand Ledge army airfleet support facility	
6	concrete parking improvements (total project	
7	cost \$1,500,000, federal share \$1,500,000) .	<u>1,500,000</u>
8	GROSS APPROPRIATION . . . . .	\$ 17,000,000
9	Appropriated from:	
10	Federal funds:	
11	DOD - department of the army - national	
12	guard bureau . . . . .	13,125,000
13	Special revenue funds:	
14	Armory construction fund . . . . .	3,875,000
15	State general fund/general purpose . . . . .	\$ 0
16	<b>Sec. 110. DEPARTMENT OF NATURAL RESOURCES</b>	
17	Fisheries research vessels . . . . .	\$ 1,000,000
18	State parks infrastructure . . . . .	<u>15,500,000</u>
19	GROSS APPROPRIATION . . . . .	\$ 16,500,000
20	Appropriated from:	
21	Special revenue funds:	
22	Game and fish protection fund . . . . .	1,000,000
23	State park improvement revenue bonds . . . . .	15,500,000
24	State general fund/general purpose . . . . .	\$ 0
25	<b>Sec. 111. DEPARTMENT OF TRANSPORTATION</b>	
26	Airport safety and protection plan . . . . .	<u>\$ 55,000,000</u>
27	GROSS APPROPRIATION . . . . .	\$ 55,000,000
28	Appropriated from:	

## 1 Federal funds:

2 DOT, federal aviation administration . . . . . 40,000,000

## 3 Special revenue funds:

4 Local aeronautics match 15,000,000

5 State general fund/general purpose . . . . . \$ 0

## 6 PART 2

## 7 PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2002-2003

8 GENERAL SECTIONS

9 Sec. 201. (1) Pursuant to section 30 of article IX of the  
 10 state constitution of 1963, total state spending from state  
 11 sources under part 1 for fiscal year 2002-2003 is estimated at  
 12 \$350,727,900.00 and state spending from state sources paid to  
 13 local units of government for fiscal year 2002-2003 is estimated  
 14 at \$17,425,000.00. The itemized statement below identifies  
 15 appropriations from which spending to units of local government  
 16 will occur:

17 **CAPITAL OUTLAY**

18 Department of natural resources - waterways . . \$ 3,425,000

19 Department of transportation -

20 state aeronautics program . . . . . 14,000,000

21 TOTAL . . . . . \$ 17,425,000

22 Sec. 202. As used in this bill:

23 (a) "Board" means the state administrative board.

24 (b) "Community college" does not include a state agency or  
 25 university.

26 (c) "Department" means the department of management and  
 27 budget.

28 (d) "Director" means the director of the department of

1 management and budget.

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

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

4 (g) "DOT" means the United States department of  
5 transportation.

6 (h) "Fiscal agencies" means the senate fiscal agency and the  
7 house fiscal agency.

8 (i) "ICF/MR" means intermediate care facilities for the  
9 mentally retarded.

10 (j) "IDG" means interdepartmental grant.

11 (k) "JCOS" means the joint capital outlay subcommittee of the  
12 appropriations committees.

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

15 (m) "State building authority" means the authority created  
16 under 1964 PA 183, MCL 830.411 to 830.425.

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

20 **CAPITAL OUTLAY PROCESSES, PROCEDURES, AND REPORTS**

21 Sec. 401. Each capital outlay project authorized in this bill  
22 or any previous capital outlay act shall comply with the  
23 procedures required by the management and budget act, 1984 PA 431,  
24 MCL 18.1101 to 18.1594. Capital outlay projects shall not be  
25 funded from operating accounts unless approved by the department  
26 and the JCOS.

27 Sec. 402. A statement of a proposed facility's operating cost  
28 shall be included with the facility's program statement and  
29 planning documents when the plans are presented to JCOS for

1 approval.

2       Sec. 403. (1) Before proceeding with final planning and  
3 construction for projects at community colleges and universities  
4 included in an appropriations bill, the community college or  
5 university shall sign an agreement with the department that  
6 includes the following provisions:

7       (a) The university or community college agrees to construct  
8 the project within the total authorized cost established by the  
9 legislature pursuant to the management and budget act, 1984 PA  
10 431, MCL 18.1101 to 18.1594, and an appropriations act.

11       (b) The design and program scope of the project shall not  
12 deviate from the design and program scope represented in the  
13 program statement and preliminary planning documents approved by  
14 the department.

15       (c) Any other items as identified by the department that are  
16 necessary to complete the project.

17       (2) The department retains the authority and responsibility  
18 normally associated with the prudent maintenance of the public's  
19 financial and policy interests relative to the state-financed  
20 construction projects managed by a community college or  
21 university.

22       Sec. 404. (1) The department shall provide the JCOS and the  
23 fiscal agencies with reports as considered necessary relative to  
24 the status of each planning or construction project financed by  
25 the state building authority, by this bill, or by previous acts.

26       (2) Before the end of each fiscal year, the department shall  
27 report to the JCOS and the fiscal agencies for each capital outlay  
28 project other than lump sums all of the following:

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

- 1 (b) The balance remaining in each account.
- 2 (c) The date of the last expenditure from the account.
- 3 (d) The anticipated date of occupancy if the project is under
- 4 construction.
- 5 (e) The appropriations history for the project.
- 6 (f) The professional service contractor.
- 7 (g) The amount of a project financed with federal funds.
- 8 (h) The amount of a project financed through the state
- 9 building authority.

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

12 (3) Before the end of each fiscal year, the department shall

13 report the following for each project by a state agency,

14 university, or community college that is authorized for planning

15 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

22 line items made for purchase of real estate.

23 Sec. 405. (1) If a capital outlay appropriation is contained

24 in a public act that was not reviewed by the JCOS during the

25 legislative process, the director shall notify the JCOS of an

26 expenditure of that capital outlay appropriation not less than 60

27 days before the expenditure.

28 (2) For the purposes of this section, "capital outlay

29 appropriation" means an appropriation that provides for the

1 construction, renovation, or repair of a capital facility or  
2 acquisition or development of land and that is normally reviewed  
3 by the JCOS.

4       Sec. 406. A state agency, college, or university shall take  
5 steps necessary to make available federal and other money  
6 indicated in this bill, to make available federal or other money  
7 that may become available for the purposes for which  
8 appropriations are made in this bill, and to use any part or all  
9 of the appropriations to meet matching requirements that are  
10 considered to be in the best interest of this state. However, the  
11 purpose, scope, and total estimated cost of a project shall not be  
12 altered to meet the matching requirements.

13       Sec. 408. Pursuant to section 242(2) of the management and  
14 budget act, 1984 PA 431, MCL 18.1242, the state budget director  
15 shall submit 5-year capital outlay requests developed by state  
16 agencies (and as approved by the department of management and  
17 budget), universities, and community colleges to the chairperson  
18 and ranking vice-chairperson of the JCOS and the fiscal agencies  
19 upon the release of the executive budget recommendation.

20 **USE AND FINANCE STATEMENTS**

21       Sec. 501. (1) A university or community college shall not let  
22 a contract for new construction of a nonstate-funded project  
23 estimated to cost more than \$1,000,000.00 unless the project is  
24 authorized by the JCOS. The request for legislative authorization  
25 shall be initially submitted for review to the JCOS and the state  
26 budget director. A nonstate-funded project request shall include  
27 a complete use and financing statement as defined by a policy  
28 adopted by the JCOS. The use and financing statement for a  
29 nonstate-funded project shall contain the estimated total

1 construction cost and all associated estimated operating costs  
2 including a statement of anticipated project revenues. As used in  
3 this section, "new construction" includes land or property  
4 acquisition, remodeling and additions, and maintenance projects.

5 (2) A project that is constructed in violation of this section  
6 shall not receive state appropriations for purposes of operating  
7 the project, or support for future infrastructure enhancements  
8 that are necessitated, in part or in total, by construction of the  
9 project.

10 (3) A state agency, including the department of military  
11 affairs, shall not let a contract, including those for a direct  
12 federally-funded capital outlay construction or major maintenance  
13 or remodeling project if the total project is estimated to cost  
14 more than \$1,000,000.00 and is to be constructed on state-owned  
15 lands, unless the project is approved by the department and by the  
16 JCOS. For projects over \$1,000,000.00, the state agency shall  
17 submit a use and finance statement as required for community  
18 colleges and universities in subsection (1). As used in this  
19 subsection, "direct federally-funded" refers to a project for  
20 which federal payments are made directly to the construction  
21 vendor and not to the state of Michigan.

22 (4) A public body corporate created under section 28 of  
23 article VII of the state constitution of 1963 and the urban  
24 cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to  
25 124.512, by a contractual interlocal agreement between local  
26 participating economic development corporations formed under the  
27 economic development corporations act, 1974 PA 338, MCL 125.1601  
28 to 125.1636, and the Michigan strategic fund shall not let a  
29 contract for new construction estimated to cost more than



1 \$1,000,000.00 unless the project is authorized by the JCOS through  
2 the approval of a use and financing statement. For purposes of  
3 this subsection, the use and financing statement for a project  
4 shall contain the estimated total construction cost and all  
5 associated estimated operating costs. As used in this subsection,  
6 "new construction" means land or property acquisition, remodeling  
7 or additions, lease or lease purchase, and maintenance projects  
8 for the corporate office of the public body corporate described in  
9 this subsection.

10 **LUMP SUMS AND SPECIAL MAINTENANCE**

11 Sec. 601. (1) The director shall allocate lump-sum  
12 appropriations made in this bill for remodeling and addition,  
13 special maintenance, major special maintenance, energy  
14 conservation, demolition, ICF/MR, air-conditioning, and fire  
15 protection projects. The director shall allocate other lump sums  
16 in order of program priority and need of the various state  
17 agencies or as otherwise based on actual building inspection  
18 reports by regulatory agencies.

19 (2) The state budget director may authorize that funds  
20 appropriated for lump sum special maintenance shall be available  
21 for no more than two fiscal years following the fiscal year in  
22 which the original appropriation was made. Any remaining balance  
23 from allocations made in this section shall lapse to the fund from  
24 which it was appropriated pursuant to the lapsing of funds as  
25 provided in the management and budget act, 1984 PA 431, MCL  
26 18.1101 to 18.1594.

27 (3) Before the end of each fiscal year, the department shall  
28 submit a report to the JCOS, the state budget director, and the  
29 fiscal agencies indicating the total cost and status of all lump

1 sum projects funded under this bill and any previous act that have  
2 been designated as proposed, designed, bid, under construction, or  
3 completed within the current fiscal year.

4       Sec. 602. (1) The department may expend from the lump-sum  
5 special maintenance account amounts necessary to demolish any  
6 state-owned building that the department believes requires  
7 demolition.

8       (2) Before the end of each fiscal year, each state agency,  
9 community college, and university shall report each year to the  
10 department the status of and planned schedule for demolition  
11 projects already authorized but not yet started, the estimated  
12 cost of the projects, and the anticipated sources of financing of  
13 the projects.

14       Sec. 603. Pursuant to department policy, state agencies may  
15 expend not more than \$500,000.00 from their operating budget for  
16 special maintenance, remodeling, or additions purposes unless  
17 approved by the director. The department shall report to the JCOS  
18 on a quarterly basis each time operating funds are used for  
19 special maintenance purposes in an amount over \$500,000.00.

20 **STATE BUILDING AUTHORITY**

21       Sec. 701. (1) Subject to section 242 of the management and  
22 budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the  
23 state building authority, the department may expend from the  
24 general fund of the state during the fiscal year ending September  
25 30, 2003 an amount to meet the cash flow requirements of those  
26 state building authority projects solely for lease to a state  
27 agency identified in both part 1 and this section, and for which  
28 state building authority bonds or notes have not been issued, and  
29 for the sole acquisition by the state building authority of

1 equipment and furnishings for lease to a state agency as permitted  
2 by 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of  
3 bonds or notes is authorized by a legislative concurrent  
4 resolution that is effective for a fiscal year ending September  
5 30, 2003. Any general fund advances for which state building  
6 authority bonds have not been issued shall bear an interest cost  
7 to the state building authority at a rate not to exceed that  
8 earned by the state treasurer's common cash fund during the period  
9 in which the advances are outstanding and are repaid to the  
10 general fund of the state.

11 (2) Upon sale of bonds or notes for the projects identified in  
12 part 1 or for equipment as authorized by legislative concurrent  
13 resolution and in this section, the state building authority shall  
14 credit the general fund of the state an amount equal to that  
15 expended from the general fund plus interest, if any, as defined  
16 in this section.

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

24 (4) In the event that a project identified in part 1 is  
25 terminated after final design is complete, advances made on behalf  
26 of the state building authority for the costs of final design  
27 shall be repaid to the general fund in a manner recommended by the  
28 director and approved by the JCOS.

29 Sec. 702. (1) State building authority funding to finance

1 construction or renovation of a facility that collects revenue in  
2 excess of money required for the operation of that facility shall  
3 not be released to a university or community college unless the  
4 institution agrees to reimburse that excess revenue to the state  
5 building authority. The excess revenue shall be credited to the  
6 general fund to offset rent obligations associated with the  
7 retirement of bonds issued for that facility. The auditor general  
8 shall annually identify and present an audit of those facilities  
9 that are subject to this section. Costs associated with the  
10 administration of the audit shall be charged against money  
11 recovered pursuant to this section.

12 (2) As used in this section, "revenue" includes state  
13 appropriations, facility opening money, other state aid,  
14 indirect cost reimbursement, and other revenue generated by  
15 the activities of the facility.

16 Sec. 703. (1) The state building authority rent appropriations  
17 in part 1 may also be expended for the payment of required  
18 premiums for insurance on facilities owned by the state building  
19 authority or payment of costs that may be incurred as the result  
20 of any deductible provisions in such insurance policies.

21 (2) If the amount appropriated in part 1 for state building  
22 authority rent is not sufficient to pay the rent obligations and  
23 insurance premiums and deductibles identified in subsection (1)  
24 for state building authority projects, there is appropriated from  
25 the general fund of the state the amount necessary to pay such  
26 obligations.

27 Sec. 704. The department shall provide the JCOS, state budget  
28 director, and the fiscal agencies a report, not more than 15 days  
29 after the reporting date, relative to the status of construction

1 projects associated with state building authority bonds on March  
2 31 and September 30 of each year, or not more than 30 days after a  
3 refinancing or restructuring bond issue is sold. The report shall  
4 include, but is not limited to, the following:

5 (a) A list of all completed construction projects for which  
6 state building authority bonds have been sold, and which bonds are  
7 currently active.

8 (b) A list of all projects under construction for which sale  
9 of state building authority bonds are pending.

10 (c) A list of all projects authorized for construction or  
11 identified in an appropriations act for which approval of  
12 schematic/preliminary plans or total authorized cost is pending  
13 that have state building authority bonds identified as a source of  
14 financing.

15 Sec. 705. It is the intention of the legislature that the  
16 University of Michigan take the necessary actions to ensure that  
17 eligible interest reimbursements from Medicare and Medicaid  
18 programs are made available to the state to satisfy part of the  
19 amount appropriated for the University of Michigan adult general  
20 hospital facility rent appropriation of \$27,917.00.00 contained  
21 within the state building authority rent appropriation in part 1.  
22 To the extent of a difference between the estimated and actual  
23 amount received, there is appropriated from the general fund of  
24 the state the amounts necessary to satisfy the hospital rental  
25 requirements of the state building authority's 1986 revenue  
26 refunding bonds, series I. To the extent payments made to the  
27 state by the University of Michigan are required to be reimbursed  
28 pursuant to the agreement with the University of Michigan, there  
29 is appropriated from the general fund the amount necessary for

1 such reimbursement.

2 **COLLEGES AND UNIVERSITIES**

3       Sec. 801. (1) This section applies only to projects for  
4 community colleges.

5       (2) State support is directed towards the remodeling and  
6 additions, special maintenance, or construction of certain  
7 community college buildings. The community college shall obtain  
8 or provide for site acquisition and initial main utility  
9 installation to operate the facility. Funding shall be comprised  
10 of local and state shares, and the state share shall include 50%  
11 of any federal money awarded for projects appropriated in this  
12 bill. Not more than 50% of a capital outlay project, not  
13 including a lump-sum special maintenance project or remodeling and  
14 addition project, for a community college shall be appropriated  
15 from state and federal funds.

16       (3) An expenditure under this bill is authorized when the  
17 release of the appropriation is approved by the board upon the  
18 recommendation of the director. The director may recommend to the  
19 board the release of any appropriation in part 1 only after the  
20 director is assured that the legal entity operating the community  
21 college to which the appropriation is made has complied with this  
22 bill and has matched the amounts appropriated as required by this  
23 bill. A release of funds in part 1 shall not exceed 50% of the  
24 total cost of planning and construction of any project, not  
25 including lump-sum remodeling and additions and special  
26 maintenance. Further planning and construction of a project  
27 authorized by this bill or applicable sections of the management  
28 and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, shall be in  
29 accordance with the purpose and scope as defined and delineated in

1 the approved program statements and planning documents. This bill  
2 is applicable to all projects for which planning appropriations  
3 were made in previous acts.

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

13 Sec. 802. If matching revenues are received in an amount less  
14 than the appropriations contained in this bill, the state funds of  
15 the appropriation shall be reduced in proportion to the amount of  
16 matching revenue received.

17 Sec. 804. (1) The director may require that community colleges  
18 and universities that have an authorized project listed in part 1  
19 submit documentation regarding the project match and governing  
20 board approval of the authorized project not more than 60 days  
21 after the beginning of the fiscal year.

22 (2) If the documentation required by the director under  
23 subsection (1) is not submitted, or does not adequately  
24 authenticate the availability of the project match or board  
25 approval of the authorized project, the authorization may  
26 terminate. The authorization terminates 30 days after the  
27 director notifies the JCOS of the intent to terminate the project  
28 unless the JCOS convenes to extend the authorization.

29 **DEPARTMENT OF MANAGEMENT AND BUDGET**

1       Sec. 901. The department, for purposes of administrative and  
2 fiscal efficiency, may consolidate or discontinue federal surplus  
3 property warehouses administered under 1961 PA 139, MCL 18.251 to  
4 18.261.

5 **DEPARTMENT OF NATURAL RESOURCES**

6       Sec. 1001. The appropriation made in this bill for the  
7 harbors and docks program is for the purpose of participating with  
8 the federal government and assisting political entities and  
9 subdivisions of this state in the construction and improvement of  
10 recreational boating facilities within this state. Subject to the  
11 approval of the board, this money shall be allocated by the  
12 department of natural resources to the federal government, or to  
13 the political entities or local units of government involved in  
14 the particular projects. An allocation shall not exceed the state  
15 portion as listed with each project description. The department  
16 of natural resources shall take the steps necessary to match  
17 federal money available for the construction and improvement of  
18 recreational boating facilities within this state, and to meet  
19 requirements of the federal government.

20       Sec. 1002. (1) Before the end of each fiscal year, the  
21 department of natural resources shall report each year to the JCOS  
22 and the state budget director the status of each project that  
23 received an appropriation in any capital outlay act, if the  
24 project is either not completed or has a balance remaining in its  
25 account. The report shall be in the same form and contain the  
26 information as required under section 404. The report shall be  
27 separated into the following areas, by fund sources:

28       (a) Waterways projects.

29       (b) Urban recreation projects.



1 (c) State park projects.

2 (d) Wildlife and fisheries projects.

3 (e) Other projects.

4 (2) A project request for reauthorization by the department of  
5 natural resources shall also be identified within the report  
6 required by subsection (1). These reauthorization requests shall  
7 identify the subsection number of section 248 of the management  
8 and budget act, 1984 PA 431, MCL 18.1248, that provides the reason  
9 and justification for the requested reauthorization.

10 (3) A project shall be reauthorized if approved by the JCOS  
11 after review by the state budget director.

12 **DEPARTMENT OF TRANSPORTATION**

13 Sec. 1101. (1) From federal-state-local project appropriations  
14 contained in part 1 for the purpose of assisting political  
15 entities and subdivisions of this state in the construction and  
16 improvement of publicly used airports and landing fields within  
17 this state, the department of transportation may permit the award  
18 of contracts on behalf of units of local government for the  
19 authorized locations not to exceed the indicated amounts, of which  
20 the state allocated portion shall not exceed the amount  
21 appropriated in part 1.

22 (2) Political entities and subdivisions shall provide not less  
23 than 5% of the cost of any project under this section. State  
24 money shall not be allocated until local money is allocated, and  
25 state money for any 1 project shall not exceed 1/3 of the total  
26 appropriation in part 1 from state funds for airport improvement  
27 programs.

28 (3) The Michigan aeronautics commission may take those steps  
29 necessary to match federal money available for airport

1 construction and improvement within this state, and to meet the  
2 matching requirements of the federal government. Whether acting  
3 alone or jointly with another political subdivision or public  
4 agency or with this state, a political subdivision or public  
5 agency of this state shall not submit to any agency of the federal  
6 government a project application for airport planning or  
7 development unless it is authorized in this bill and the project  
8 application is approved by the governing body of each political  
9 subdivision or public agency making the application, and by the  
10 Michigan aeronautics commission.

11 (4) From appropriations contained in part 1 for airport  
12 improvement programs, \$12,000,000.00 of the state general fund  
13 shall be used as state resources for state-funded components of  
14 the comprehensive northwest airlines midfield terminal project.  
15 The allocation of state general fund money is subject to audit by  
16 the auditor general.

17 Sec. 1102. Before the end of each fiscal year, the department  
18 of transportation shall report to the JCOS the status of projects  
19 funded in part 1 with the estimated dollars allocated for each  
20 project. If there has to be a delay in reporting, the department  
21 of transportation shall notify JCOS in writing of the date the  
22 report will be received.

23 Sec. 1104. (1) A planning project or construction project  
24 appropriated for the airport program shall be made available for  
25 no more than three fiscal years following the fiscal year in which  
26 the original appropriation was made.

27 (2) Any remaining balance from allocations made in this  
28 section shall lapse to the fund from which it was appropriated  
29 pursuant to the lapsing of funds as provided in the management and

1 budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

2 **MISCELLANEOUS**

3       Sec. 1201. (1) Revenue collected from licenses issued under  
4 the antenna site management project shall be deposited into the  
5 antenna site management revolving fund created for this purpose in  
6 the department of management and budget. The department may  
7 receive and expend funds from the fund for costs associated with  
8 the antenna site management project, including the cost of the  
9 third-party site manager. Any excess revenue remaining in the  
10 fund at the close of the fiscal year shall be proportionately  
11 transferred to the appropriate state restricted funds as  
12 designated in statute or by constitution.

13       (2) An antenna shall not be sited pursuant to this section  
14 without prior compliance with the respective local zoning codes  
15 and local unit of government processes.

16       Sec. 1202. (1) A site preparation economic development fund is  
17 hereby created in the department of management and budget. As  
18 used in this section, "economic development sites" means those  
19 state owned sites declared as surplus property pursuant to section  
20 251 of the management and budget act, 1984 PA 431, MCL 18.1251,  
21 that would provide economic benefit to the area or to the state.  
22 The Michigan economic development corporation board and the state  
23 budget director shall determine whether or not a specific state  
24 owned site qualifies for inclusion in the fund created under this  
25 subsection.

26       (2) Proceeds from the sale of any sites designated in  
27 subsection (1) shall be deposited into the fund created in  
28 subsection (1) and shall be available for site preparation  
29 expenditures, unless otherwise provided by law. The economic

1 development sites authorized in subsection (1) are hereby  
2 authorized for sale consistent with state law. Expenditures from  
3 the fund are hereby authorized for site preparation activities  
4 that enhance the marketable sale value of the sites. Site  
5 preparation activities include, but are not limited to,  
6 demolition, environmental studies and abatement, utility  
7 enhancement, and site excavation.

8 (3) A cash advance in an amount of not more than  
9 \$25,000,000.00 is hereby authorized from the general fund to the  
10 site preparation economic development fund.

11 (4) An annual report shall be transmitted to the senate and  
12 house of representatives appropriations committees not later than  
13 December 31 of each year. This report shall detail both of the  
14 following:

15 (a) The revenue and expenditure activity in the fund for the  
16 preceding fiscal year.

17 (b) The sites identified as economic development sites under  
18 subsection (1).

19 Sec. 1203. The department of natural resources may transfer  
20 \$4,900,000.00 from the harbor development fund to the state  
21 waterways fund for the purposes appropriated in part 1 of this  
22 bill.

23 PART 2A

24 PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2001-2002

25 GENERAL SECTIONS

26 Sec. 2201. (1) Pursuant to section 30 of article IX of the  
27 state constitution of 1962, total state spending from state  
28 sources for fiscal year 2001-2002 is estimated at \$20,375,000 in  
29 part 1A of this appropriation bill and state spending from state

1 sources paid to local units of government for fiscal year 2001-  
2 2002 is estimated at \$0.

3 **MISCELLANEOUS**

4 Sec. 2301. The \$15,500,000.00 appropriation for state park  
5 infrastructure includes bond proceeds in an amount not to exceed  
6 \$1,500,000.00 to establish a debt service reserve for costs  
7 associated with bond issuance.

8 Sec. 2302. Project financing is adjusted for the following  
9 department of natural resources - waterways boating program  
10 project authorized by 1998 PA 538: Ottawa County, Harbor Island  
11 launch: the total project cost remains \$927,000.00, the Michigan  
12 state waterways fund share of this project is increased from  
13 \$1,550.00 to \$695,300.00, and the federal fund share is reduced  
14 from \$693,750.00 to \$0.

15 Sec. 2303. (1) Any unused state building authority  
16 authorization from 1998 PA 273 of the department of corrections  
17 prison construction projects may be used for the construction of a  
18 housing unit (336 beds) and replacement food service building at  
19 camp brighton, not to exceed the total state building authority  
20 finance authorization.

21 (2) In addition, a total of \$8,250,000.00 in federal violent  
22 offender incarceration/truth-in-sentencing grants is appropriated  
23 for the project as described in subsection (1).

24 Sec. 2304. The department of management and budget may  
25 demolish, dismantle, or otherwise dispose of the following  
26 department of corrections buildings: building 27 at Muskegon  
27 correctional facility, braver building at Ryan correctional  
28 facility, buildings 163, 164, and 165 at Cotton correctional  
29 facility, all facilities at camp waterloo, buildings 41, 9, 10,

1 21, and 22 at Crane-lakeland correctional facility, building 22 at  
2 Cassidy Lake correctional facility, buildings 12 and 16 at  
3 Michigan reformatory, buildings 20, 35, 47, 68, 83, 101, and 102  
4 at Marquette branch prison, and building 155 at Charles Egeler  
5 correctional facility.

6       Sec. 2305. The appropriations in part 1 for the Jackson and  
7 Calumet armory replacement projects are contingent on the sale of  
8 the Oak Park armory. Proceeds from the Oak Park armory sale are  
9 to be deposited into the armory construction fund.

10       Sec. 2306. The department of natural resources may transfer  
11 \$1,000,000.00 from the wildlife resource protection fund to the  
12 game and fish protection fund for the purchase of fishing research  
13 vessels to be used in the enforcement and administration of the  
14 game, fish, and fur laws of the state.