

Act No. 504
Public Acts of 2002
Approved by the Governor
July 19, 2002
Filed with the Secretary of State
July 19, 2002
EFFECTIVE DATE: July 19, 2002

**STATE OF MICHIGAN
91ST LEGISLATURE
REGULAR SESSION OF 2002**

**Introduced by Reps. Mead, Allen, Bisbee, Vear, Gilbert, Howell and Van Woerkom
Reps. Basham, Birkholz, Callahan, Clarke, DeRossett, DeVuyst, Ehardt, Jacobs, Jansen, Ruth Johnson,
Kowall, Lemmons, Mans, McConico, Mortimer, O'Neil, Patterson, Phillips, Richardville, Richner, Stewart
and Vander Roest named co-sponsors**

ENROLLED HOUSE BILL No. 5883

AN ACT to amend 1984 PA 431, entitled "An act to prescribe the powers and duties of the department of management and budget; to define the authority and functions of its director and its organizational entities; to authorize the department to issue directives; to provide for the capital outlay program; to provide for the leasing, planning, constructing, maintaining, altering, renovating, demolishing, conveying of lands and facilities; to provide for centralized administrative services such as purchasing, payroll, record retention, data processing, and publishing and for access to certain services; to provide for a system of internal accounting and administrative control for certain principal departments; to provide for an internal auditor in certain principal departments; to provide for certain powers and duties of certain state officers and agencies; to codify, revise, consolidate, classify, and add to the powers, duties, and laws relative to budgeting, accounting, and the regulating of appropriations; to provide for the implementation of certain constitutional provisions; to create funds and accounts; to make appropriations; to prescribe remedies and penalties; to rescind certain executive reorganization orders; to prescribe penalties; and to repeal certain acts and parts of acts," 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:

Sec. 237. (1) For state agency capital outlay projects or facilities, the department is responsible for development, oversight, review, and approval of program statements, studies, designs, plans, management, specifications, contract documents, construction management, and construction, relative to the acquisition, construction, lease purchase, improvement, demolition, or other capital outlay projects for state agencies for which an appropriation or other authorization has been made.

(2) The department shall approve the award, selection, and employment of architects, professional engineers, construction managers, and other design or construction professional services contractors, subject to section 237b and rules of the department of civil service, to do all of the following:

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

(b) Administer construction work, including resident inspectors, on-site management, and supervision of construction projects.

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

(4) Prior to state building authority financing, the department shall provide final approval of the capital outlay project to ensure compliance with the authorized program, plans, and specifications.

(5) The attorney general shall review all standard lease and lease purchase agreement formats and approve any exceptions to the standard formats and may assess a fee for legal services pursuant to an agreement with the department.

Sec. 237b. The selection of architects, professional engineers, professional surveyors, and qualified firms shall be made in accordance with competitive, qualifications-based selection processes and procedures for the type of professional service required by the department.

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

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

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

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

(5) For the fiscal year ending September 30, 1995 only, there is appropriated to the department of natural resources from the general fund \$875,000.00. This appropriation may only be used to pay the court settlement liquidated damages associated with the matter of Miller Brothers, et al v State of Michigan, et al (Court of Claims docket no. 88-11848-CM).

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

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

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

(9) Following November 13, 1995, if the recipient of the \$59,500,000.00 appropriation pursuant to subsections (1) and (4) obtains, by lease, purchase, or otherwise, the mineral rights for the real property that was the subject of the court settlement referenced in this section, the state shall seek repayment of that portion of the \$59,500,000.00 settlement that was not attributed to the cost of the initial lease or to lawfully accrued interest.

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

(11) For the fiscal year ending September 30, 2001 only, the state budget director, before the final accounting of state revenues and expenditures is completed, shall calculate the amount of funds that will be necessary to ensure a zero balance in the general fund/general purpose state budget at bookclosing. This calculation shall be made excluding any net general fund/general purpose appropriation lapses that occur when the final accounting of state expenditures is completed. For purposes of this calculation, the closure or reduction of prior year work projects shall not be considered appropriation lapses. The state budget director shall provide a report to the house and senate appropriations committees and the house and senate fiscal agencies of this calculation as soon as it is completed. Based on this calculation, there is appropriated from the fund to the general fund the amount calculated by the state budget director, not to exceed \$200,000,000.00.

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

(13) In addition to subsection (12), for the fiscal year ending September 30, 2002 only, there is appropriated from the fund to the school aid fund the sum of \$350,000,000.00.

(14) For the fiscal year ending September 30, 2002 only, the state budget director, before the final accounting of state revenues and expenditures is completed, shall calculate the amount of funds that will be necessary to ensure a zero balance in the general fund state budget at bookclosing. This calculation shall be made excluding \$114,500,000.00. The state budget director shall provide a report to the house and senate appropriations committees and the house and senate fiscal agencies of this calculation as soon as it is completed. Based on this calculation, there is appropriated from the fund to the general fund the amount calculated by the state budget director.

(15) For the fiscal year ending September 30, 2003 only, there is appropriated from the fund to the general fund the sum of \$207,000,000.00.

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

(a) The maximum appropriation from the fund for budget stabilization as provided in section 352(2) has already been made for the current fiscal year.

(b) The legislature has approved the emergency appropriations bill by a 2/3 majority vote of the members elected to and serving in each house.

(c) The emergency appropriations bill becomes law.

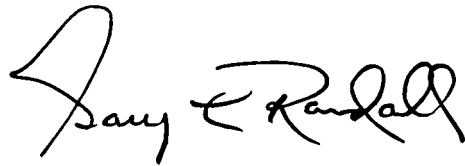
(2) The additional transfer from the fund may be made only for the current fiscal year.

(3) For the fiscal year ending September 30, 2001, the fiscal year ending September 30, 2002 and for each fiscal year beginning with the fiscal year ending September 30, 2004 and ending with the fiscal year ending September 30, 2016, there is appropriated and transferred from the fund to the state trunk line fund established under section 11 of 1951 PA 51, MCL 247.661, the sum of \$35,000,000.00.

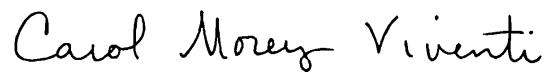
(4) For the fiscal year ending September 30, 2000, there is appropriated and transferred from the fund to the state trunk line fund established under section 11 of 1951 PA 51, MCL 247.661, the sum of \$37,100,000.00.

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

This act is ordered to take immediate effect.



Clerk of the House of Representatives.



Secretary of the Senate.

Approved _____

Governor.