



Senate Fiscal Agency
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BILL ANALYSIS



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FY 2002-03 Year-to-Date Gross Appropriation	\$606,185,900
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Changes from FY 2002-03 Year-to-Date:

1. **State Building Authority Rent (Debt Service).** The Governor recommended an increase for rent (debt service) payments for previously authorized construction projects. The enacted level reflects the \$25 million reduction to the Governor's recommendation agreed to during legislative target setting on the FY 2003-04 budget. The reduced amount is achievable as a result of a restructuring of existing bond debt which reduces the amount of required rent. (8,309,600)

2. **Department of Military and Veterans Affairs.** The Governor has recommended 5 new construction projects funded primarily with Federal revenue. The projects include a \$20.8 million new army aviation support facility in Grand Ledge; a \$6.7 million U.S. Property and Fiscal Office in Lansing; a new \$5.0 million armory in Owosso; a \$1.8 million new bachelor officer quarters facility at Camp Grayling; and a \$1.8 million new conference center also at Camp Grayling. The enacted bill reflects the Governor's recommendations. 17,100,000

3. **Department of Transportation - Aeronautics.** The Governor's recommendation combines the airport safety and protection plan line with the existing airport improvement program line. This new line will provide \$216.8 million in Federal and restricted revenue for safety and improvement projects at nearly 100 airports statewide. The recommendation also removes the \$12.0 million appropriation for the Northwest Airline Midfield Terminal project at Detroit Metro airport, as the State's commitment to that project has been satisfied. The enacted bill concurred with the Governor. (19,942,400)

4. **Natural Resources .** The Governor reduced funds for State park maintenance by \$6.7 million and shifts these funds to replace General Fund support for park operations in the Department's operating budget. The remaining appropriation for park maintenance will be available contingent upon increasing camping fees which must be approved by the Natural Resources Commission. In addition, several one-time appropriations for various waterways and boating access site projects were eliminated, costs for other existing projects were adjusted, and 5 new projects were recommended. The enacted bill concurred with the Governor's recommendation. (22,100,000)

5. **Department of Transportation.** The Governor recommended the elimination of several one-time appropriations, provided adjustments for new project offices and miscellaneous remodeling and renovations projects, and included a new Transportation Service Center (TSC) in Detroit, a new regional office in Gaylord, and cancelled the Brighton and Grayling TSC. The House included a new \$130,000 grant from the Comprehensive Transportation Fund to Mackinac Island for repairs at the British Landing Dock on the west side of the island. The enacted bill reflects the House action. 130,000

6. **Special Maintenance.** The Governor had recommended that the existing special maintenance line-items be consolidated into one line, to be allocated by the DMB for emergency repairs. The enacted bill leaves the appropriations in the individual line-items. (2,000,000)

7. **Planning and Construction Authorizations.** The Governor recommended no new planning or construction authorizations for State agencies, colleges, or universities. The enacted bill includes two new construction authorizations for the conversion of two coal-fired to gas-fired power plants, at State prisons in Sault Saint Marie and Ionia. The projects would be funded by the State Building Authority and total \$6.0 million for the project at Kinross, and \$3.0 million for the project at Riverside. 0

8. **Comparison to the Governor's Recommendation.** The enacted bill is \$25,019,800 Gross and \$24,999,800 GF/GP under the Governor's recommendation.

Total Changes	(\$35,122,000)
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FY 2003-04 Enacted Gross Appropriation	\$571,063,900
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Changes from FY 2002-03 Year to Date:

1. **Prison Watch Towers.** The Governor eliminated language that requires new maximum security prisons to have operational watch towers. This language was restored in the enacted bill. (Sec. 301)
2. **Comparative Cost Analysis.** The Governor eliminated language that requires, upon JCOS request, a detailed comparative cost analysis of a construction project or lease that costs more than \$1,000,000. This language was restored in the enacted bill. (Sec. 407)
3. **Special Maintenance Approval.** The Governor changed language that allows for special maintenance expenditures from operating accounts up to \$1,000,000 to require DMB approval. The enacted bill retains current-year language yet limits capital outlay expenditures over \$600,000 from operating accounts. (Sec. 603)
4. **Private Leased Space Report.** The Governor eliminated language that requires a report on privately-owned leased space by State agencies. This language was restored in the enacted bill. (Sec. 902)
5. **Harbor Development Fund Transfer.** The Governor recommends new language that would allow the transfer of the Harbor Development Fund to the State Waterways Fund. The enacted bill limits the transfer to \$1,000,000 for the St. Aubin Marina Project cost increase. (Sec. 1003)
6. **Detroit-Willow Run Runway Extension.** The Governor eliminated language that prohibits money for runway extensions or improvements to expand the airport into a tradeport. This language was restored in the enacted bill. (Sec. 1101-4)
7. **University of Michigan - Campus Renovation Phase II.** Authorizes a project cost increase from \$86 million to \$88 million, funded entirely with university revenue. (Sec. 805)
8. **Glen Oaks Community College.** Extends the planning authorization for the Glen Oaks Community College - Applied Science/Technology Center project for 2 years. (Sec. 806)
9. **Lake Superior State University.** The enacted bill provides new language to shift the project financing for the Arts Classroom Project from the current 52%/48% State/University cost share to a 75% - State, 25% - University cost share, which increases the cost for the SBA by \$3,475,000, and reduces the university's share by the same amount. (Sec. 807)
10. **Washtenaw Community College.** Authorizes a project cost increase for the Washtenaw Community College Plumbers/Pipefitters project, from \$4.0 million to \$4.741 million, funded entirely from college revenue. (Sec. 808)
11. **History, Arts & Libraries.** The enacted bill includes new language to require the Department to work with the Department of History, Arts & Libraries in plans to improve the way the State and Michigan State University preserves artifacts. (Sec. 902)
12. **Military & Veterans Affairs.** Makes projects authorized in Part 1 contingent upon availability of both Federal and State Army Construction Funds. (Sec. 1301)

Date Completed: 11-25-03

Fiscal Analyst: Mike Hansen