

HOUSE BILL No. 4144

January 25, 2007, Introduced by Reps. Knollenberg, Agema, Calley, Shaffer, Marleau, Meltzer, Pastor, Moss, LaJoy, Booher, Wenke, Green, Sheen and Stakoe and referred to the Committee on Government Operations.

A bill to amend 1984 PA 431, entitled
"The management and budget act,"
by amending section 221 (MCL 18.1221), as amended by 1999 PA 8.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 221. (1) The director may provide for the rental and
2 lease of land and facilities for the use of state agencies in the
3 manner provided by law. The rentals and leases shall not be
4 effective unless approved by the board.

5 (2) If a project costs more than \$1,000,000.00 and consists of
6 less than 25,000 gross square feet, the department shall notify the
7 joint capital outlay subcommittee in writing of its intent to
8 proceed with such a facility. The notice shall be given 30 days
9 before the lease contract providing for the proposed constructions

1 is entered into.

2 (3) If the director proposes to lease **OR RENT** space or a
3 facility which meets either of the following criteria, approval of
4 the joint capital outlay subcommittee is required prior to board
5 approval:

6 (a) The space or facility exceeds 25,000 gross square feet.

7 (b) The annual base cost of the proposed lease **OR RENTAL**
8 **AGREEMENT** is more than \$500,000.00.

9 (4) For the purposes of this section, the renewal of an
10 existing lease **OR RENTAL AGREEMENT** will require the approval of the
11 joint capital outlay subcommittee if the renewal results in changes
12 to the lease **OR RENTAL AGREEMENT** that would cause it to meet the
13 requirements outlined in subsection (3).

14 (5) The department may grant easements, upon terms and
15 conditions the board determines are just and reasonable, for
16 highway and road purposes, and for constructing, operating, and
17 maintaining pipelines or electric, telephone, telegraph,
18 television, gas, sanitary sewer, storm sewer, or other utility
19 lines including all supporting fixtures and other appurtenances
20 over, through, under, upon, and across any land belonging to this
21 state, except lands under the jurisdiction of the department of
22 natural resources, the department of military affairs, or the state
23 transportation department.

24 (6) The department shall determine annually the prevailing
25 market rental values of all state owned office facilities and
26 private facilities which provide housing for state employees. The
27 rental values determined pursuant to this subsection shall not be

1 effective unless approved by the board. The renting, leasing, or
2 licensing of state owned land and facilities to private and public
3 entities shall be at prevailing market rental values or at actual
4 costs as determined by the director.

5 (7) The department shall charge state agencies for building
6 occupancy in state owned facilities under the jurisdiction of the
7 department. The rates to be charged for building occupancy shall be
8 coordinated with the budget cycle. The rates shall reflect the
9 actual cost for occupancy of the facilities.