

HOUSE BILL No. 5831

August 15, 2012, Introduced by Rep. Kowall and referred to the Committee on Appropriations.

A bill to amend 1984 PA 431, entitled "The management and budget act," by amending sections 248 and 249 (MCL 18.1248 and 18.1249), section 248 as amended by 1999 PA 8.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 248. (1) This section applies to all capital outlay
2 projects appropriated in any budget act. This section does not
3 apply to lump sums other than planning projects.

4 (2) Appropriations made in any budget act for a planning
5 project shall not lapse to the fund from which appropriated at the
6 end of the fiscal year, but shall continue until the purposes for
7 which the sums were appropriated are completed. However, each

1 project which has been authorized for planning for ~~3~~4 years or
2 more and which has not been authorized for final design and
3 construction shall be terminated, unless the project is
4 specifically reauthorized in a budget act.

5 (3) Appropriations made in any budget act for final design and
6 construction shall not lapse to the fund from which they are
7 appropriated at the end of the fiscal year, but shall continue
8 until the purposes for which the sums were appropriated are
9 completed. However, each project that has been authorized for final
10 design and construction for ~~3~~4 years or more and where
11 construction has not commenced shall be terminated, unless the
12 project is specifically reauthorized in a budget act.

13 (4) Except as otherwise provided in this section, the balance
14 of any capital outlay project other than a planning project shall
15 not lapse at the end of the fiscal year for which the appropriation
16 was made, but shall continue for not more than 2 fiscal years
17 occurring after the fiscal year for which the appropriation for the
18 project is made.

19 (5) A capital outlay project may be continued beyond ~~3~~4
20 fiscal years if the bid for the start of construction of the
21 project is awarded before the end of the second fiscal year
22 occurring after the fiscal year for which the appropriation for the
23 project is made.

24 (6) A capital outlay project which is for purchase of property
25 may be continued beyond ~~3~~4 fiscal years if a contract to purchase
26 property is entered into before the end of the second fiscal year
27 occurring after the fiscal year for which the appropriation for the

1 purchase is made but only the amount necessary to complete the
2 purchase of the property pursuant to the contract shall be carried
3 forward.

4 (7) A capital outlay project may be continued beyond ~~3-4~~
5 fiscal years if a federal grant award is pending and the federal
6 rules preclude the award of the bid before the end of the second
7 fiscal year occurring after the fiscal year for which the
8 appropriation for the project was made, but shall not be continued
9 beyond an additional year unless the bid for the start of
10 construction of the project is awarded.

11 (8) If the bid for the start of construction of the project is
12 awarded before the appropriations for the project are scheduled to
13 lapse pursuant to subsection (4) or (6), the unobligated balance of
14 the appropriations for the project shall not lapse but shall
15 continue for 23 months after a project is substantially completed.

16 (9) If a capital outlay project is subject to a legal action,
17 the balance shall lapse pursuant to subsections (2) to (8), or 30
18 days after the legal action is settled, or 30 days after a final
19 order is entered, whichever is later.

20 (10) An unexpended balance which is to lapse pursuant to this
21 section shall lapse to the fund from which the appropriation is
22 made.

23 (11) A grant or grant-in-aid appropriated for the demolition,
24 acquisition, construction, repair, or maintenance of capital assets
25 shall not be reduced, adjusted, delayed, impounded, lapsed, or
26 otherwise altered by the director for any purpose without
27 legislative approval and shall be carried forward until awarded, in

1 full, to the recipient of the appropriation consistent with
2 legislative intent.

3 Sec. 249. (1) If matching revenues for a capital outlay
4 project are received in an amount less than the appropriations
5 contained in a budget act, the state portion of the appropriation
6 shall be reduced in proportion to the amount of matching revenue
7 received.

8 (2) A STATE AGENCY, COMMUNITY COLLEGE, OR UNIVERSITY SHALL
9 TAKE THE STEPS NECESSARY TO MAKE AVAILABLE FEDERAL MATCHING
10 REVENUES RECEIVED IN CONJUNCTION WITH A CAPITAL OUTLAY PROJECT. ANY
11 FEDERAL MATCHING REVENUES RECEIVED TO SUPPORT THE CONSTRUCTION OF A
12 PROJECT SHALL BE APPLIED TO THE TOTAL AUTHORIZED COST, WITH STATE,
13 COMMUNITY COLLEGE, OR UNIVERSITY FINANCING SHARES PROPORTIONALLY
14 ADJUSTED.