

# HOUSE BILL No. 4411

March 19, 2003, Introduced by Rep. Hunter and referred to the Committee on Appropriations.

## EXECUTIVE BUDGET BILL

A bill to make appropriations for certain capital outlay programs and state departments and agencies for the fiscal year ending September 30, 2004; to implement the appropriations within the budgetary process; to make appropriations for planning and construction at state agencies; 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

3 Sec. 101. Subject to the conditions set forth in this bill, the  
4 amounts listed in this part are appropriated for certain capital outlay  
5 projects at the various state agencies for the fiscal year ending  
6 September 30, 2004, from the funds indicated in this part. The  
7 following is a summary of the appropriations in this part:

8 **CAPITAL OUTLAY**

9 APPROPRIATIONS SUMMARY:

10	GROSS APPROPRIATION.....	\$ 595,083,700
11	Total interdepartmental grants and intradepartmental	
12	transfers .....	2,000,000
13	ADJUSTED GROSS APPROPRIATION.....	\$ 593,083,700
14	Total federal revenues.....	202,652,000
15	Total local revenues.....	42,789,600
16	Total private revenues.....	0

1	Total state restricted revenues.....	41,340,000
2	State general fund/general purpose.....	\$ 306,302,100
3	<b>Sec. 102. DEPARTMENT OF AGRICULTURE</b>	
4	Farmland and open space development acquisition.....	<u>\$ 7,500,000</u>
5	GROSS APPROPRIATION.....	\$ 7,500,000
6	Appropriated from:	
7	Federal revenues:	
8	DAG, multiple grants.....	2,500,000
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	Special maintenance, remodeling and additions:	
14	For state agencies special maintenance projects estimated	
15	to cost more than \$100,000 but less than \$1,000,000	\$ 2,000,000
16	Major special maintenance and remodeling for department	
17	of management and budget.....	<u>2,000,000</u>
18	GROSS APPROPRIATION.....	\$ 4,000,000
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	IDG from building occupancy charges.....	2,000,000
22	Special revenue funds:	
23	State general fund/general purpose .....	\$ 2,000,000
24	<b>Sec. 104. DEPARTMENT OF MILITARY AFFAIRS</b>	
25	Lump sum project:	
26	For department of military affairs remodeling and	
27	additions and special maintenance projects.....	\$ 5,592,000

1	Grand Ledge army aviation support facility, for design and	
2	construction, (total authorized cost \$20,800,000; federal	
3	share \$20,460,000; state armory construction fund share	
4	\$340,000) .....	20,800,000
5	United States property and fiscal office, for design and	
6	construction (total authorized cost \$6,700,000: federal	
7	share \$6,200,000; state armory construction fund	
8	share \$500,000) .....	6,700,000
9	Camp Grayling bachelor officer quarters, for design and	
10	construction (total authorized cost \$1,800,000; federal	
11	share \$1,800,000) .....	1,800,000
12	Camp Grayling conference center, for design and construction	
13	(total authorized cost \$1,800,000; federal share	
14	\$1,800,000) .....	1,800,000
15	Shiawassee County armory replacement, for design and	
16	construction (total authorized cost \$5,000,000; federal	
17	share \$3,750,000; state armory construction fund share	
18	\$1,250,000) .....	<u>5,000,000</u>
19	GROSS APPROPRIATION.....	\$ 41,692,000
20	Appropriated from:	
21	Federal revenues:	
22	DOD, department of the army, national guard bureau ...	39,602,000
23	Special revenue funds:	
24	State armory construction fund.....	2,090,000
25	State general fund/general purpose .....	\$ 0
26	<b>Sec. 105. DEPARTMENT OF NATURAL RESOURCES</b>	
27	<b>(1) STATE PARKS</b>	

1	State parks repair and maintenance .....	\$	1,000,000
2	Forest roads, bridges, and facilities .....		<u>800,000</u>
3	GROSS APPROPRIATION .....	\$	1,800,000
4	Appropriated from:		
5	Special revenue funds:		
6	State park improvement fund .....		1,000,000
7	Forest development fund .....		800,000
8	State general fund/general purpose .....	\$	0
9	<b>(2) WILDLIFE</b>		
10	State game and wildlife area maintenance .....	\$	<u>550,000</u>
11	GROSS APPROPRIATION .....	\$	550,000
12	Appropriated from:		
13	Federal revenues:		
14	DOI, U.S. fish and wildlife service, Pittman-Robertson		550,000
15	Special revenue funds:		
16	State general fund/general purpose .....	\$	0
17	<b>(3) WATERWAYS BOATING PROGRAM</b>		
18	Boating program, state boating access sites:		
19	Crystal lake, new site construction (total authorized		
20	cost \$550,000; state share \$550,000).....	\$	550,000
21	Trout lake, new site construction (total authorized		
22	cost \$310,000; state share \$310,000).....		310,000
23	Boating program, boating access sites, grants in aid:		
24	Traverse City, boating access site rehabilitation (total		
25	authorized cost \$180,000; state share \$135,000; local		
26	share \$45,000) .....		135,000
27	Boating program, harbors and docks, state facilities:		

1	Infrastructure improvements and engineering studies	880,000
2	Land acquisition.....	1,500,000
3	Boating program, harbors and docks, local facilities:	
4	Infrastructure improvements and engineering studies	400,000
5	South Haven, marina dock rehabilitation and upgrade (total	
6	authorized cost \$1,250,000; state share \$625,000; local	
7	share \$625,000) .....	625,000
8	Harrisville, restroom/shower building improvements (total	
9	authorized cost \$1,200,000; state share \$600,000; local	
10	share \$600,000) .....	<u>600,000</u>
11	GROSS APPROPRIATION.....	\$ 5,000,000
12	Appropriated from:	
13	Special revenue funds:	
14	Michigan state waterways fund.....	5,000,000
15	State general fund/general purpose.....	\$ 0
16	<b>Sec. 106. DEPARTMENT OF TRANSPORTATION</b>	
17	<b>STATE TRUNKLINE FUND</b>	
18	Department buildings and facilities:	
19	Salt storage buildings and brine runoff control	
20	systems, contract agencies locations.....	\$ 1,400,000
21	Construct, renovate, replace salt storage	
22	buildings, various maintenance garage locations....	1,100,000
23	Equipment storage buildings, various maintenance	
24	garage locations .....	735,000
25	Gaylord, regional office building, for design and	
26	construction (total authorized cost \$2,800,000)....	800,000
27	Detroit, transportation service center, for design	

1	and construction (total authorized cost \$3,300,000)	2,500,000
2	New Buffalo welcome center, water and sewer upgrades ..	500,000
3	Reroof, fence, bituminous surfacing, various locations	815,000
4	Institutional and agency roads.....	750,000
5	Miscellaneous remodeling, additions, emergency	
6	maintenance .....	<u>1,000,000</u>
7	GROSS APPROPRIATION.....	\$ 9,600,000
8	Appropriated from:	
9	Special revenue funds:	
10	State trunkline fund.....	9,600,000
11	State general fund/general purpose.....	\$ 0
12	<b>Sec. 107. DEPARTMENT OF TRANSPORTATION</b>	
13	<b>AERONAUTICS FUND: AIRPORT PROGRAMS</b>	
14	Airport safety, protection, and improvement program...	<u>\$ 216,789,600</u>
15	GROSS APPROPRIATION .....	\$ 216,789,600
16	Appropriated from:	
17	Federal revenues:	
18	DOT, federal aviation administration.....	160,000,000
19	Special revenue funds:	
20	Local aeronautics match.....	42,789,600
21	Combined comprehensive transportation bond proceeds	
22	fund - aeronautics .....	12,000,000
23	State aeronautics fund.....	2,000,000
24	State general fund/general purpose.....	\$ 0
25	<b>Sec. 108. STATE BUILDING AUTHORITY RENT</b>	
26	State building authority rent - state agencies.....	\$ 68,706,000
27	State building authority rent - department of	
	corrections .....	79,219,300

1	State building authority rent - universities.....	139,325,600
2	State building authority rent - community colleges....	<u>20,901,200</u>
3	GROSS APPROPRIATION.....	\$ 308,152,100
4	Appropriated from:	
5	Special revenue funds:	
6	Grand tower facility reimbursement.....	1,905,000
7	Roosevelt parking reimbursement.....	275,000
8	State building authority, University of Michigan,	
9	third party reimbursement.....	150,000
10	State lottery funds.....	1,520,000
11	State general fund/general purpose.....	\$ 304,302,100

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

14 **GENERAL SECTIONS**

15 Sec. 201. Pursuant to section 30 of article IX of the state  
 16 constitution of 1963, total state spending from state resources under  
 17 part 1 for fiscal year 2003-2004 is \$347,642,100.00 and state spending  
 18 from state resources paid to units of local government for fiscal year  
 19 2003-2004 is \$20,060,000.00. The itemized statement below identifies  
 20 appropriations from which spending to units of local government will  
 21 occur:

22 **CAPITAL OUTLAY**

23	Department of agriculture - farmland and open space	
24	preservation .....	4,300,000
25	Department of natural resources - waterways.....	1,760,000
26	State transportation department - state aeronautics	
27	program .....	<u>14,000,000</u>



1 TOTAL ..... \$ 20,060,000

2 Sec. 202. The appropriations authorized under this bill are subject  
3 to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

4 Sec. 203. As used in this bill:

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

6 (b) "Community college" does not include a state agency or  
7 university.

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

9 (d) "Director" means the director of the department of management  
10 and budget.

11 (e) "DAG" means the United States department of agriculture.

12 (f) "DOD" means the United States department of defense.

13 (g) "DOI" means the United States department of interior.

14 (h) "DOT" means the United States department of transportation.

15 (i) "Fiscal agencies" means the senate fiscal agency and the  
16 house fiscal agency.

17 (j) "ICF/MR" means intermediate care facilities for the mentally  
18 retarded.

19 (k) "IDG" means interdepartmental grant.

20 (l) "JCOS" means the joint capital outlay subcommittee of the  
21 appropriations committees.

22 (m) "Self-liquidating project" means a project constructed by a  
23 community college or university with money raised through the use of a  
24 debt instrument or other fund sources including, but not limited to,  
25 gifts, grants, federal funds, or institutional sources, that is  
26 expected to generate revenues to amortize the loan. A self-liquidating  
27 project may or may not be a self-supporting project. Examples of a

1 self-liquidating project include dormitories, parking facilities, and  
2 stadia.

3 (n) "Self-supporting project" means a project of a community  
4 college or university that will house a function or activity from which  
5 revenue is generated that will cover all the direct and indirect  
6 operating costs of the project without the additional transfer of any  
7 other general fund money of the community college or university.

8 (o) "State agency" means an agency of state government. State  
9 agency does not include a community college or university.

10 (p) "State building authority" means the authority created under  
11 1964 PA 183, MCL 830.411 to 830.425.

12 (q) "University" means a 4-year university supported by the  
13 state. University does not include a community college or a state  
14 agency.

15 Sec. 208. Unless otherwise specified, departments and agencies  
16 receiving appropriations in part 1 shall use the Internet to fulfill  
17 the reporting requirements of this bill. This requirement may include  
18 transmission of reports via electronic mail to the recipients  
19 identified for each reporting requirement, or it may include placement  
20 of reports on an Internet or Intranet site.

21 **DEPARTMENT OF AGRICULTURE**

22 Sec. 251. Of the amounts appropriated in part 1 for farmland and  
23 open space development acquisition, the funds shall be used for the  
24 purchase of development rights and the awarding of grants by the  
25 agriculture preservation fund board under the natural resources and  
26 environmental protection act, 1994 PA 451, MCL 324.101 to 324.90106.

27 **DEPARTMENT OF CORRECTIONS**

1       Sec. 302. (1) An appropriation and authorization contained in this  
2 bill or a previous appropriations act for the construction of a new  
3 correctional facility, including a correctional camp, for which a  
4 specific site was not identified with the appropriation shall not be  
5 expended until approved by JCOS.

6       (2) For the purposes of this section, "site" means a city,  
7 village, township, or county in which a correctional facility may be  
8 located.

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

10       Sec. 401. Each capital outlay project authorized in this bill or any  
11 previous capital outlay act shall comply with the procedures required  
12 by the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

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

16       Sec. 403. (1) Before proceeding with final planning and construction  
17 for projects at community colleges and universities included in an  
18 appropriations act, the community college or university shall sign an  
19 agreement with the department that includes the following provisions:

20       (a) The university or community college agrees to construct the  
21 project within the total authorized cost established by the legislature  
22 pursuant to the management and budget act, 1984 PA 431, MCL 18.1101 to  
23 18.1594, and an appropriations act.

24       (b) The design and program scope of the project shall not deviate  
25 from the design and program scope represented in the program statement  
26 and preliminary planning documents approved by the department.

27       (c) Any other items as identified by the department that are

1 necessary to complete the project.

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

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

10 (2) Before the end of each fiscal year, the department shall  
11 report to the JCOS, fiscal agencies, and state budget director for each  
12 capital outlay project other than lump sums all of the following:

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

14 (b) The balance remaining in each account.

15 (c) The date of the last expenditure from the account.

16 (d) The anticipated date of occupancy if the project is under  
17 construction.

18 (e) The appropriations history for the project.

19 (f) The professional service contractor.

20 (g) The amount of a project financed with federal funds.

21 (h) The amount of a project financed through the state building  
22 authority.

23 (i) The total authorized cost for the project and the state  
24 authorized share if different than the total.

25 (3) Before the end of each fiscal year, the department shall  
26 report the following for each project by a state agency, university, or  
27 community college that is authorized for planning but is not yet

1 authorized for construction:

2 (a) The name of the project and account number.

3 (b) Whether a program statement is approved.

4 (c) Whether schematics are approved by the department.

5 (d) Whether preliminary plans are approved by the department.

6 (e) The name of the professional service contractor.

7 (4) As used in this section, "project" includes appropriation  
8 line items made for purchase of real estate.

9 Sec. 405. (1) If a capital outlay appropriation is contained in a  
10 public act that was not reviewed by the JCOS during the legislative  
11 process, the director shall notify the JCOS of an expenditure of that  
12 capital outlay appropriation not less than 60 days before the  
13 expenditure.

14 (2) For the purposes of this section, "capital outlay  
15 appropriation" means an appropriation that provides for the  
16 construction, renovation, or repair of a capital facility or  
17 acquisition or development of land and that is normally reviewed by the  
18 JCOS.

19 Sec. 406. A state agency, college, or university shall take steps  
20 necessary to make available federal and other money indicated in this  
21 bill, to make available federal or other money that may become  
22 available for the purposes for which appropriations are made in this  
23 bill, and to use any part or all of the appropriations to meet matching  
24 requirements that are considered to be in the best interest of this  
25 state. However, the purpose, scope, and total estimated cost of a  
26 project shall not be altered to meet the matching requirements.

27 Sec. 408. Pursuant to section 242(2) of the management and budget

1 act, 1984 PA 431, MCL 18.1242, the department shall submit 5-year  
2 capital outlay plans and capital outlay priority requests developed by  
3 state agencies (and as approved by the office of the state budget),  
4 universities, and community colleges to the chairperson and ranking  
5 vice-chairperson of the JCOS and the fiscal agencies upon the release  
6 of the executive budget recommendation.

7 **USE AND FINANCE STATEMENTS**

8 Sec. 501. (1) A university or community college shall not let a  
9 contract for new construction of a nonstate-funded project estimated to  
10 cost more than \$1,000,000.00 unless the project is authorized by the  
11 JCOS through approval of a use and financing statement defined by a  
12 policy adopted by the JCOS. The request for legislative authorization  
13 shall be initially submitted for review to the JCOS and the department.  
14 The use and financing statement for a nonstate-funded project shall  
15 contain the estimated total construction cost and all associated  
16 estimated operating costs including a statement of anticipated project  
17 revenues. As used in this section, "new construction" includes land or  
18 property acquisition, remodeling and additions, and maintenance  
19 projects.

20 (2) A project that is constructed in violation of this section  
21 shall not receive state appropriations for purposes of operating the  
22 project, or support for future infrastructure enhancements that are  
23 necessitated, in part or in total, by construction of the project.

24 (3) A state agency, including the department of military affairs,  
25 shall not let a contract, including those for a direct federally-funded  
26 capital outlay construction or major maintenance or remodeling project  
27 if the total project is estimated to cost more than \$1,000,000.00 and

1 is to be constructed on state-owned lands, unless the project is  
2 approved by the department and by the JCOS through approval of a use  
3 and financing statement defined by a policy adopted by the JCOS. For  
4 projects over \$1,000,000.00, the state agency shall submit a use and  
5 financing statement as required for community colleges and universities  
6 in subsection (1). As used in this subsection, "direct federally-  
7 funded" refers to a project for which federal payments are made  
8 directly to the construction vendor and not to the state of Michigan.

9 (4) A public body corporate created under section 28 of article  
10 VII of the state constitution of 1963 and the urban cooperation act of  
11 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by a contractual  
12 interlocal agreement between local participating economic development  
13 corporations formed under the economic development corporations act,  
14 1974 PA 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund  
15 shall not let a contract for new construction estimated to cost more  
16 than \$1,000,000.00 unless the project is authorized by the JCOS through  
17 the approval of a use and financing statement defined by a policy  
18 adopted by the JCOS. For purposes of this subsection, the use and  
19 financing statement for a project shall contain the estimated total  
20 construction cost and all associated estimated operating costs. As  
21 used in this subsection, "new construction" means land or property  
22 acquisition, remodeling or additions, lease or lease purchase, and  
23 maintenance projects for the corporate office of the public body  
24 corporate described in this subsection.

25 **LUMP SUMS AND SPECIAL MAINTENANCE**

26 Sec. 601. (1) The director shall allocate lump-sum appropriations  
27 made in this bill for remodeling and addition, special maintenance,

1 major special maintenance, energy conservation, demolition, ICF/MR,  
2 air-conditioning, and fire protection projects. The director shall  
3 allocate other lump sums in order of program priority and need of the  
4 various state agencies or as otherwise based on actual building  
5 inspection reports by regulatory agencies.

6 (2) The state budget director may authorize that funds  
7 appropriated for lump sum special maintenance shall be available for no  
8 more than 3 fiscal years following the fiscal year in which the  
9 original appropriation was made. Any remaining balance from allocations  
10 made in this section shall lapse to the fund from which it was  
11 appropriated pursuant to the lapsing of funds as provided in the  
12 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

13 (3) Before the end of each fiscal year, the department shall  
14 submit a report to the JCOS, fiscal agencies, and state budget director  
15 indicating the total cost and status of all lump-sum projects funded  
16 under this bill and any previous act that have been designated as  
17 proposed, designed, bid, under construction, or completed within the  
18 current fiscal year.

19 Sec. 602. The department may expend from the lump-sum special  
20 maintenance account amounts necessary to demolish any state-owned  
21 building that the department believes requires demolition.

22 Sec. 603. Pursuant to department policy, state agencies may expend  
23 not more than \$1,000,000.00 from their operating budget for special  
24 maintenance, remodeling, additions, or other capital outlay purposes,  
25 unless specifically authorized by the director of the department of  
26 management and budget and state budget director.

27 **STATE BUILDING AUTHORITY**



1       Sec. 701. (1) Subject to section 242 of the management and budget  
2 act, 1984 PA 431, MCL 18.1242, and upon the approval of the state  
3 building authority, the department may expend from the general fund of  
4 the state during the fiscal year ending September 30, 2004 an amount to  
5 meet the cash flow requirements of those state building authority  
6 projects solely for lease to a state agency identified in both part 1  
7 and this section, and for which state building authority bonds or notes  
8 have not been issued, and for the sole acquisition by the state  
9 building authority of equipment and furnishings for lease to a state  
10 agency as permitted by 1964 PA 183, MCL 830.411 to 830.425, for which  
11 the issuance of bonds or notes is authorized by a legislative  
12 concurrent resolution that is effective for a fiscal year ending  
13 September 30, 2004. Any general fund advances for which state building  
14 authority bonds have not been issued shall bear an interest cost to the  
15 state building authority at a rate not to exceed that earned by the  
16 state treasurer's common cash fund during the period in which the  
17 advances are outstanding and are repaid to the general fund of the  
18 state.

19       (2) Upon sale of bonds or notes for the projects identified in  
20 part 1 or for equipment as authorized by legislative concurrent  
21 resolution and in this section, the state building authority shall  
22 credit the general fund of the state an amount equal to that expended  
23 from the general fund plus interest, if any, as defined in this  
24 section.

25       (3) For state building authority projects for which bonds or  
26 notes have been issued and upon the request of the state building  
27 authority, the state treasurer shall make advances without interest

1 from the general fund as necessary to meet cash flow requirements for  
2 the projects, which advances shall be reimbursed by the state building  
3 authority when the investments earmarked for the financing of the  
4 projects mature.

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

10 Sec. 702. (1) State building authority funding to finance  
11 construction or renovation of a facility that collects revenue in  
12 excess of money required for the operation of that facility shall not  
13 be released to a university or community college unless the institution  
14 agrees to reimburse that excess revenue to the state building  
15 authority. The excess revenue shall be credited to the general fund to  
16 offset rent obligations associated with the retirement of bonds issued  
17 for that facility. The auditor general shall annually identify and  
18 present an audit of those facilities that are subject to this section.  
19 Costs associated with the administration of the audit shall be charged  
20 against money recovered pursuant to this section.

21 (2) As used in this section, "revenue" includes state  
22 appropriations, facility opening money, other state aid, indirect cost  
23 reimbursement, and other revenue generated by the activities of the  
24 facility.

25 Sec. 703. (1) The state building authority rent appropriations in  
26 part 1 may also be expended for the payment of required premiums for  
27 insurance on facilities owned by the state building authority or

1 payment of costs that may be incurred as the result of any deductible  
2 provisions in such insurance policies.

3 (2) If the amount appropriated in part 1 for state building  
4 authority rent is not sufficient to pay the rent obligations and  
5 insurance premiums and deductibles identified in subsection (1) for  
6 state building authority projects there is appropriated from the  
7 general fund of the state the amount necessary to pay such obligations.

8 Sec. 704. It is the intention of the legislature that the University  
9 of Michigan take the necessary actions to ensure that eligible interest  
10 reimbursements from Medicare and Medicaid programs are made available  
11 to the state to satisfy part of the amount appropriated for the  
12 University of Michigan adult general hospital facility rent  
13 appropriation of \$27,917,000.00 contained within the state building  
14 authority rent appropriation in part 1. To the extent of a difference  
15 between the estimated and actual amount received, there is appropriated  
16 from the general fund of the state the amounts necessary to satisfy the  
17 hospital rental requirements of the state building authority's 1986  
18 revenue refunding bonds, series I. To the extent payments made to the  
19 state by the University of Michigan are required to be reimbursed  
20 pursuant to the agreement with the University of Michigan, there is  
21 appropriated from the general fund the amount necessary for such  
22 reimbursement.

23 **COLLEGES AND UNIVERSITIES**

24 Sec. 801. (1) This section applies only to projects for community  
25 colleges.

26 (2) State support is directed towards the remodeling and  
27 additions, special maintenance, or construction of certain community

1 college buildings. The community college shall obtain or provide for  
2 site acquisition and initial main utility installation to operate the  
3 facility. Funding shall be comprised of local and state shares, and  
4 the state share shall include 50% of any federal money awarded for  
5 projects appropriated in this bill. Not more than 50% of a capital  
6 outlay project, not including a lump-sum special maintenance project or  
7 remodeling and addition project, for a community college shall be  
8 appropriated from state and federal funds, unless otherwise  
9 appropriated by the legislature.

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

26 (4) The community college shall take the steps necessary to  
27 secure available federal construction and equipment money for projects

1 funded for construction in this bill if an application was not  
2 previously made. If there is a reasonable expectation that a prior  
3 year unfunded application may receive federal money in a subsequent  
4 year, the college shall take whatever action necessary to keep the  
5 application active. If federal money is received, the state share  
6 shall be adjusted accordingly as provided by this bill.

7 Sec. 802. If matching revenues are received in an amount less than  
8 the appropriations contained in this bill, the state funds of the  
9 appropriation shall be reduced in proportion to the amount of matching  
10 revenue received.

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

16 (2) If the documentation required by the director under  
17 subsection (1) is not submitted, or does not adequately authenticate  
18 the availability of the project match or board approval of the  
19 authorized project, the authorization may terminate. The authorization  
20 terminates 30 days after the director notifies the JCOS of the intent  
21 to terminate the project unless the JCOS convenes to extend the  
22 authorization.

23 **DEPARTMENT OF MANAGEMENT AND BUDGET**

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

27 Sec. 902. (1) The department shall provide the JCOS, fiscal

1 agencies, and state budget director a report, not more than 15 days  
2 after the reporting date, of privately owned leased space by state  
3 agencies, by March 31 and September 30 of each year, consisting of the  
4 following:

5 (a) Department.

6 (b) Agency division and leased number.

7 (c) Building location (address and city).

8 (d) Type of building.

9 (e) County.

10 (f) Name and address of lessor.

11 (g) Square footage and net square footage rate.

12 (h) Monthly and annual cost.

13 (i) Date lease started and expires.

14 (j) Options and services.

15 (2) The lease report shall be summarized for office space, group  
16 homes, and other space for the Lansing area and statewide, excepting  
17 the Lansing area.

18 **DEPARTMENT OF NATURAL RESOURCES**

19 Sec. 1001. The appropriation made in this bill for the harbors and  
20 docks program is for the purpose of participating with the federal  
21 government and assisting political entities and subdivisions of this  
22 state in the construction and improvement of recreational boating  
23 facilities within this state. Subject to the approval of the board,  
24 this money shall be allocated by the department of natural resources to  
25 the federal government, or to the political entities or local units of  
26 government involved in the particular projects. An allocation shall  
27 not exceed the state portion as listed with each project description.

1 The department of natural resources shall take the steps necessary to  
2 match federal money available for the construction and improvement of  
3 recreational boating facilities within this state, and to meet  
4 requirements of the federal government.

5 Sec. 1002. (1) Before the end of each fiscal year, the department of  
6 natural resources shall report to the JCOS the status of each project  
7 that received an appropriation in any capital outlay act, if the  
8 project is either not completed or has a balance remaining in its  
9 account. The report shall be in the same form and contain the  
10 information as required under section 404. The report shall be  
11 separated into the following areas, by fund sources:

- 12 (a) Waterways projects.
- 13 (b) Urban recreation projects.
- 14 (c) State park projects.
- 15 (d) Wildlife and fisheries projects.
- 16 (e) Other projects.

17 (2) Department of natural resources projects not subject to the  
18 provisions of section 248 of the management and budget act, 1984 PA  
19 431, MCL 18.1248, shall be considered lump sums subject to the  
20 provisions outlined in section 601.

21 **STATE TRANSPORTATION DEPARTMENT**

22 Sec. 1101. (1) From federal-state-local project appropriations  
23 contained in part 1 for the purpose of assisting political entities and  
24 subdivisions of this state in the construction and improvement of  
25 publicly used airports and landing fields within this state, the state  
26 transportation department may permit the award of contracts on behalf  
27 of units of local government for the authorized locations not to exceed

1 the indicated amounts, of which the state allocated portion shall not  
2 exceed the amount appropriated in part 1.

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

8 (3) The Michigan aeronautics commission may take those steps  
9 necessary to match federal money available for airport construction and  
10 improvement within this state, and to meet the matching requirements of  
11 the federal government. Whether acting alone or jointly with another  
12 political subdivision or public agency or with this state, a political  
13 subdivision or public agency of this state shall not submit to any  
14 agency of the federal government a project application for airport  
15 planning or development unless it is authorized in this bill and the  
16 project application is approved by the governing body of each political  
17 subdivision or public agency making the application, and by the  
18 Michigan aeronautics commission.

19 Sec. 1102. Before the end of each fiscal year, the state  
20 transportation department shall report to the JCOS the status of  
21 projects funded in part 1 with the estimated dollars allocated for each  
22 project. The report shall be in the same form and contain the same  
23 information as required under section 404.

24 Sec. 1104. A planning project or construction project appropriated  
25 for the airport program not subject to the provisions of section 248 of  
26 the management and budget act, 1984 PA 431, MCL 18.1248, shall be  
27 considered lump sums subject to the provisions outlined in section 601.



1       Sec. 1105. (1) The following department of transportation design and  
2 construction projects are cancelled with funds re-appropriated as  
3 specified:

4       (a) A total of \$800,000.00 appropriated in 2001 PA 45 for a new  
5 project office in Brighton is re-appropriated to the Detroit  
6 transportation service center for design and construction.

7       (b) A total of \$1,000,000.00 appropriated in 2002 PA 518 for a  
8 new Grayling transportation service center is re-appropriated to the  
9 Gaylord regional office building for design and construction.

10       (2) Total project cost authorizations for each of the re-  
11 appropriated projects is established in part 1.

12 **MISCELLANEOUS**

13       Sec. 1201. (1) Revenue collected from licenses issued under the  
14 antenna site management project shall be deposited into the antenna  
15 site management revolving fund created for this purpose in the  
16 department of management and budget. The department may receive and  
17 expend funds from the fund for costs associated with the antenna site  
18 management project, including the cost of the third-party site manager.  
19 Any excess revenue remaining in the fund at the close of the fiscal  
20 year shall be proportionately transferred to the appropriate state  
21 restricted funds as designated in statute or by constitution.

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

25       Sec. 1202. (1) A site preparation economic development fund is  
26 hereby created in the department of management and budget. As used in  
27 this section, "economic development sites" means those state owned

1 sites declared as surplus property pursuant to section 251 of the  
2 management and budget act, 1984 PA 431, MCL 18.1251, that would provide  
3 economic benefit to the area or to the state. The Michigan economic  
4 development corporation board and the state budget director shall  
5 determine whether or not a specific state owned site qualifies for  
6 inclusion in the fund created under this subsection.

7 (2) Proceeds from the sale of any sites designated in subsection  
8 (1) shall be deposited into the fund created in subsection (1) and  
9 shall be available for site preparation expenditures, unless otherwise  
10 provided by law. The economic development sites authorized in  
11 subsection (1) are hereby authorized for sale consistent with state  
12 law. Expenditures from the fund are hereby authorized for site  
13 preparation activities that enhance the marketable sale value of the  
14 sites. Site preparation activities include, but are not limited to,  
15 demolition, environmental studies and abatement, utility enhancement,  
16 and site excavation.

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

20 (4) An annual report shall be transmitted to the senate and house  
21 of representatives appropriations committees, fiscal agencies, and  
22 state budget director not later than December 31 of each year. This  
23 report shall detail both of the following:

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

26 (b) The sites identified as economic development sites under  
27 subsection (1).

1 **MILITARY AFFAIRS**

2       Sec. 1301. The appropriations in part 1 for department of military  
3 and veterans affairs design and construction projects are contingent  
4 upon the availability of federal and state restricted funds for  
5 financing.