

**STATE OF MICHIGAN  
96TH LEGISLATURE  
REGULAR SESSION OF 2012**

**Introduced by Rep. Kowall**

# **ENROLLED HOUSE BILL No. 5541**

AN ACT to provide for a capital outlay program; to set forth the provisions for its implementation within the budgetary process; to make appropriations for planning and construction at state institutions and the acquisition of land; to provide for the elimination of fire hazards at the institutions; to provide for certain special maintenance, remodeling, alteration, renovation, or demolition of and additions to projects at state institutions; to provide for elimination of occupational safety and health hazards at state agencies and institutions; to provide for the award of contracts; and to provide for the expenditure thereof under the supervision of the director of the department of technology, management, and budget and the state administrative board.

*The People of the State of Michigan enact:*

**PART 1**

**LINE-ITEM APPROPRIATIONS**

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for certain capital outlay projects at the various state agencies and institutions for the fiscal year ending September 30, 2012, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**CAPITAL OUTLAY**

**APPROPRIATION SUMMARY**

GROSS APPROPRIATION .....	\$	1,800
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		0
ADJUSTED GROSS APPROPRIATION .....	\$	1,800
Federal revenues:		
Total federal revenues .....		0
Special revenue funds:		
Total local revenues .....		0
Total private revenues .....		0
Total other state restricted revenues .....		0
State general fund/general purpose .....	\$	1,800

**Sec. 102. STATE BUILDING AUTHORITY FINANCED CONSTRUCTION  
AUTHORIZATIONS**

Central Michigan University - bio-science building (total authorized cost \$89,420,000; state building authority share \$29,999,800; Central Michigan University share \$59,420,000; state general fund share \$200) .....	\$	100
Grand Valley State University - science laboratory, classroom, and office building (total authorized cost \$55,000,000; state building authority share \$29,999,800; Grand Valley State University share \$25,000,000; state general fund share \$200) .....		100
Michigan State University - bio-engineering facility (total authorized cost \$40,340,200; state building authority share \$29,999,800; Michigan State University share \$10,340,200; state general fund share \$200) .....		100
Northern Michigan University - Jamrich hall replacement (total authorized cost \$33,400,000; state building authority share \$25,049,800; Northern Michigan University share \$8,350,000; state general fund share \$200) .....		100
Oakland University - engineering center (total authorized cost \$74,551,700; state building authority share \$29,999,800; Oakland University share \$44,551,700; state general fund share \$200) .....		100
University of Michigan - Ann Arbor - G.G. Brown memorial laboratories renovation (total authorized cost \$47,000,000; state building authority share \$29,999,800; University of Michigan - Ann Arbor share \$17,000,000; state general fund share \$200) .....		100
University of Michigan - Dearborn - science and computer information science building renovations (total authorized cost \$51,000,000; state building authority share \$29,999,800; University of Michigan - Dearborn share \$21,000,000; state general fund share \$200) .....		100
University of Michigan - Flint - Murchie science laboratory building renovations (total authorized cost \$22,170,000; state building authority share \$16,627,300; University of Michigan - Flint share \$5,542,500; state general fund share \$200) .....		100
Wayne State University - multidisciplinary bio-medical research building (total authorized cost \$90,414,700; state building authority share \$29,999,800; Wayne State University share \$60,414,700; state general fund share \$200) .....		100
Alpena Community College - electrical power technology education and training center addition (total authorized cost \$4,989,600; state building authority share \$2,494,600; Alpena Community College share \$2,494,800; state general fund share \$200) .....		100
Bay de Noc Community College - nursing laboratory and lecture hall remodeling (total authorized cost \$1,500,000; state building authority share \$749,800; Bay de Noc Community College share \$750,000; state general fund share \$200) .....		100
Delta College - health and wellness F-wing renovations (total authorized cost \$19,984,000; state building authority share \$9,991,800; Delta College share \$9,992,000; state general fund share \$200) .....		100
Gogebic Community College - building renovations (total authorized cost \$1,500,000; state building authority share \$749,800; Gogebic Community College share \$750,000; state general fund share \$200) .....		100
Grand Rapids Community College - Cook academic hall renovations (total authorized cost \$14,255,400; state building authority share \$4,999,800; Grand Rapids Community College share \$9,255,400; state general fund share \$200) .....		100
Jackson Community College - Bert Walker hall renovations (total authorized cost \$19,500,000; state building authority share \$9,749,800; Jackson Community College share \$9,750,000; state general fund share \$200) .....		100
Lansing Community College - arts and sciences building renovations (total authorized cost \$19,950,000; state building authority share \$9,974,800; Lansing Community College share \$9,975,000; state general fund share \$200) .....		100
Mid-Michigan Community College - Mt. Pleasant campus unification (total authorized cost \$17,704,600; state building authority share \$8,852,100; Mid-Michigan Community College share \$8,852,300; state general fund share \$200) .....		100
North Central Michigan College - health education and science center project (total authorized cost \$10,428,400; state building authority share \$5,214,000; North Central Michigan College share \$5,214,200; state general fund share \$200) .....		100
GROSS APPROPRIATION .....	\$	1,800
Appropriated from:		
State general fund/general purpose .....	\$	1,800

## PART 2

### PROVISIONS CONCERNING APPROPRIATIONS

#### **GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2011-2012 is \$1,800.00 and state spending from state resources to be paid to local units of government for fiscal year 2011-2012 is \$900.00.

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

Sec. 203. As used in this act:

- (a) "Board" means the state administrative board.
- (b) "Community college" means a postsecondary educational institution supported by this state but does not include a state agency or university.
- (c) "Department" means the department of technology, management, and budget.
- (d) "Director" means the director of the department of technology, management, and budget.
- (e) "Fiscal agencies" means the senate fiscal agency and the house fiscal agency.
- (f) "JCOS" means the joint capital outlay subcommittee of the appropriations committees.
- (g) "State agency" means an agency of state government. State agency does not include a community college or university.
- (h) "State building authority" means the authority created under 1964 PA 183, MCL 830.411 to 830.425.
- (i) "University" means a 4-year university supported by this state. University does not include a community college or a state agency.

Sec. 204. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference should be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 205. Unless otherwise specified, institutions receiving appropriations in part 1 shall use the Internet to fulfill the reporting requirements of this act. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

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

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

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

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

- (a) The university or community college agrees to construct the project within the total authorized cost established by the legislature pursuant to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, and an appropriations act.
- (b) The design and program scope of the project shall not deviate from the design and program scope represented in the program statement and preliminary planning documents approved by the department.
- (c) Any other items as identified by the department that are necessary to complete the project.

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

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

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

- (a) The account number and name of the construction project.
- (b) The balance remaining in the account.
- (c) The date of the last expenditure from the account.
- (d) The anticipated date of occupancy if the project is under construction.
- (e) The appropriations history for the project.
- (f) The professional service contractor.
- (g) The amount of a project financed with federal funds.
- (h) The amount of a project financed through the state building authority.
- (i) The total authorized cost for the project and the state authorized share if different than the total.

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

- (a) The name and account number of the project.
  - (b) Whether a program statement is approved.
  - (c) Whether schematics are approved by the department.
  - (d) Whether preliminary plans are approved by the department.
  - (e) The name of the professional service contractor.
- (4) As used in this section, "project" includes appropriation line items made for purchase of real estate.

Sec. 405. A state agency, community college, or university shall take steps necessary to make available federal and other money indicated in this act, to make available federal or other money that may become available for the purposes for which appropriations are made in this act, and to use any part or all of the appropriations to meet matching requirements that are considered to be in the best interest of this state. However, the purpose, scope, and total estimated cost of a project shall not be altered to meet the matching requirements. Any federal matching revenues received to support the construction of the project shall be applied to the total authorized project cost, with state, community college, and university financing shares proportionately adjusted.

Sec. 406. Pursuant to section 242(2) of the management and budget act, 1984 PA 431, MCL 18.1242, the department shall submit 5-year capital outlay plans and capital outlay priority requests developed by state agencies (and as approved by the department of technology, management, and budget), universities, and community colleges to the chairperson and ranking vice-chairperson of JCOS and the fiscal agencies upon the release of the executive budget recommendation.

## **COLLEGES AND UNIVERSITIES**

Sec. 601. (1) This section applies only to projects for community colleges.

(2) State support is directed towards the remodeling and additions, special maintenance, or construction of certain community college buildings. The community college shall obtain or provide for site acquisition and initial main utility installation to operate the facility. Funding shall be comprised of local and state shares, and the state share shall include 50% of any federal money awarded for projects appropriated in this act. Not more than 50% of a capital outlay project, not including a lump-sum special maintenance project or remodeling and addition project, for a community college shall be appropriated from state and federal funds, unless otherwise appropriated by the legislature.

(3) An expenditure under this act is authorized when the release of the appropriation is approved by the board upon the recommendation of the director. The director may recommend to the board the release of any appropriation in part 1 only after the director is assured that the legal entity operating the community college to which the appropriation is made has complied with this act and has matched the amounts appropriated as required by this act. A release of funds in part 1 shall not exceed 50% of the total cost of planning and construction of any project, not including lump-sum

remodeling and additions and special maintenance, unless otherwise appropriated by the legislature. Further planning and construction of a project authorized by this act or applicable sections of the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, shall be in accordance with the purpose and scope as defined and delineated in the approved program statements and planning documents. This act is applicable to all projects for which planning appropriations were made in previous acts.

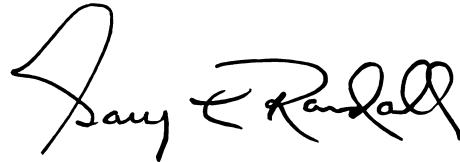
(4) The community college shall take the steps necessary to secure available federal construction and equipment money for projects funded for construction in this act if an application was not previously made. If there is a reasonable expectation that a prior year unfunded application may receive federal money in a subsequent year, the college shall take whatever action necessary to keep the application active. If federal money is received, the state share shall be adjusted accordingly as provided by this act.

Sec. 602. If matching revenues are received in an amount less than the appropriations contained in this act, the state funds of the appropriation shall be reduced in proportion to the amount of matching revenue received.

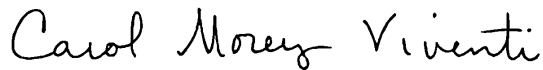
Sec. 603. (1) The director may require that community colleges and universities that have an authorized project listed in part 1 submit documentation regarding the project match and governing board approval of the authorized project not more than 60 days after the beginning of the fiscal year.

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

This act is ordered to take immediate effect.



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Clerk of the House of Representatives



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Secretary of the Senate

Approved .....

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Governor