

HOUSE BILL No. 4348

EXECUTIVE BUDGET BILL

March 2, 1989, Introduced by Rep. Jacobetti and referred to the Committee on Appropriations.

A bill to make appropriations for a capital outlay program; to make a grant for state building authority rent; to set forth the provisions for its implementation within the budgetary process; to make appropriations for planning and construction at state agencies, community colleges, and universities; to make appropriations for state building authority rent and insurance; 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, and demolition 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 fixtures and equipment relative to occupancy of a project; to prescribe powers and duties of certain state officers and agencies; to require certain reports, plans, and agreements; to provide for the conveyance of certain state owned lands; to

prescribe standards and conditions relating to the appropriations; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 101. There is appropriated for certain capital outlay projects at the
2 various state agencies, universities, and community colleges for the fiscal
3 year ending September 30, 1990, from the following funds:

4 TOTAL CAPITAL OUTLAY

5 APPROPRIATIONS SUMMARY:

6 GROSS APPROPRIATION	\$	347,111,500
7 Appropriated from:		
8 Total federal revenues		59,944,300
9 Total local revenues.....		6,281,500
10 Total private revenues.....		180,000
11 Total other state restricted		60,424,200
12 State general fund/general purpose	\$	220,281,500
13 DEPARTMENT OF MANAGEMENT AND BUDGET		
14 Lump Sum Projects		
15 Special Maintenance and Remodeling and Additions		
16 For state agencies special maintenance projects		
17 estimated to cost more than \$50,000		
18 but less than \$500,000 and remodeling		
19 and addition projects estimated to cost less		
20 than \$500,000	\$	9,800,000
21 Major Special Maintenance and Remodeling		
22 For department of mental health special maintenance and		
23 remodeling and addition projects at various ICF/MR and		

1	state psychiatric facilities	\$ 1,000,000
2	Special Maintenance and Remodeling and Additions	
3	For community college special maintenance and remodeling	
4	and addition projects estimated to cost more than \$50,000	
5	but less than \$500,000	3,700,000
6	Special Maintenance and Remodeling and Additions	
7	For university special maintenance projects estimated to	
8	cost more than \$50,000 but less than \$500,000	21,300,000
9	Fire Protection	
10	For fire protection projects within various state agencies	
11	and at various state institutions, including the state	
12	capitol building	1,500,000
13	Open Space Conversion	
14	For removal of permanent partitions and conversion to open	
15	office space units in state buidlings	900,000
16	Planning and Special Studies	
17	For conducting planning projects and special studies regarding	
18	service requirements and related facility needs of various	
19	state agencies, universities, and community colleges	3,000,000
20	GROSS APPROPRIATION	\$ 41,200,000
21	Appropriated from:	
22	HHS-HCFA, Title XIX-intermediate care facilities for the	
23	retarded and state psychiatric facilities	1,000,000
24	State general fund/general purpose	\$ 40,200,000
25	CORRECTIONAL CONSTRUCTION PROGRAM, INCLUDING STATE	
26	BUILDING AUTHORITY PRISON PROJECTS	

1	Corrections	
2	Correctional facilities (see section 410 (1),(4),(5),(6))....\$	29,560,000
3	Major Special Maintenance	
4	Asbestos removal, all institutions - to continue construction	
5	(total cost and state share not to exceed \$5,000,000)	1,560,000
6	GROSS APPROPRIATION	\$ 31,120,000
7	Appropriated from:	
8	Countercyclical economic and budget stabilization fund.....	28,000,000
9	State general fund/general purpose	\$ 3,120,000
10	STATE BUILDING AUTHORITY	
11	Universities	
12	Central Michigan University, science building II - to	
13	complete construction (total cost not to exceed	
14	\$26,500,000 - state building authority share	
15	\$17,400,000 - Central Michigan University share	
16	\$2,500,000 - state general fund share \$6,600,000).....\$	1,480,000
17	Michigan State University, veterinary clinical center	
18	addition and remodeling - to complete construction	
19	(total cost not to exceed \$46,800,000 - state building	
20	authority share \$29,800,000 - state general fund share	
21	\$17,000,000)	13,772,100
22	Michigan State University, engineering building addition	
23	and remodeling - to complete construction (total cost	
24	not to exceed \$40,500,000 - state building authority	
25	share \$34,400,000 - state general fund share \$6,100,000)...	965,700
26	Michigan Technological University, minerals and materials	

1	engineering building - to complete construction (total	
2	cost not to exceed \$47,700,000 - state building authority	
3	share \$22,000,000 - Michigan Technological University	
4	share \$20,700,000 - state general fund share \$5,000,000)...\$	2,290,100
5	University of Michigan, Ann Arbor main campus, chemical	
6	sciences building - to complete construction (total	
7	cost not to exceed \$60,000,000 - state building authority	
8	share \$24,000,000 - University of Michigan share	
9	\$30,000,000 - state general fund share \$6,000,000)	1,329,600
10	University of Michigan, Dearborn campus, general campus	
11	renovation - to complete construction (total cost not	
12	to exceed \$11,600,000 - state building authority share	
13	\$9,900,000 - state general fund share \$1,700,000).....	323,000
14	Wayne State University, biological sciences building/	
15	science hall renovation - to complete construction	
16	(total cost not to exceed \$27,600,000 - state building	
17	authority share \$23,500,000 - state general fund share	
18	\$4,100,000).....	900,000
19	Western Michigan University, Waldo Library modifications -	
20	to complete construction (total cost not to exceed	
21	\$17,000,000 - state building authority share \$12,000,000 -	
22	Western Michigan University share \$2,000,000 - state	
23	general fund share \$3,000,000).....	724,000
24	Western Michigan University, college of business	
25	building - to complete construction (total cost not	
26	to exceed \$17,100,000 - state building authority	

1	share \$9,700,000 - Western Michigan University	
2	share \$5,000,000 - state general fund share \$2,400,000)....\$	871,000
3	Other Agencies:	
4	Michigan capitol committee - capitol restoration -	
5	(Phase I and Phase II) - to continue construction/	
6	restoration (total estimated project cost \$45,000,000 -	
7	state building authority share \$38,250,000 - state	
8	general fund share - \$6,750,000).....	3,375,000
9	Department of management and budget - Olds plaza reno-	
10	vation - (Phase I and Phase II) - to complete	
11	construction/restoration (total estimated project cost	
12	\$21,750,000 - state building authority share \$18,500,000 -	
13	state general fund share \$3,250,000).....	3,250,000
14	GROSS APPROPRIATION.....\$	29,280,500
15	Appropriated from:	
16	State general fund/general purpose.....\$	29,280,500
17	DEPARTMENT OF MENTAL HEALTH	
18	Construction Project	
19	Adolescent patient center - fairlawn - to complete	
20	construction (total cost not to exceed \$5,843,000 - state	
21	general fund share \$4,000,000; private funds \$680,000;	
22	fairlawn/clinton valley center restricted land	
23	sale fund \$1,163,000).....\$	1,343,000
24	Major Remodeling and Additions	
25	Air conditioning of patient wards and housing units,	
26	various locations.....	2,500,000

1	Major Special Maintenance	
2	Replace windows, various locations.....	\$ 1,750,000
3	Replace roofs, various locations.....	1,200,000
4	GROSS APPROPRIATION.....	\$ 6,793,000
5	Appropriated from:	
6	Clinton valley land sale restricted funds.....	1,163,000
7	Private.....	180,000
8	State general fund/general purpose	\$ 5,450,000
9	DEPARTMENT OF MILITARY AFFAIRS	
10	Lump Sum Projects	
11	For department of military affairs remodeling and addition	
12	and special maintenance projects estimated to cost more	
13	than \$50,000 but less than \$500,000.....	\$ 2,390,000
14	Special Maintenance	
15	Maintenance and repair; land acquisition, property surveys	
16	and titles searches.....	150,000
17	GROSS APPROPRIATION.....	\$ 2,540,000
18	Appropriated from:	
19	DOD-Army, National guard bureau.....	2,390,000
20	State general fund/general purpose.....	\$ 150,000
21	DEPARTMENT OF NATURAL RESOURCES	
22	Major Special Maintenance	
23	State fair (Detroit) electrical system, parking lots, and	
24	streets and roads - to complete construction (total cost	
25	and state share not to exceed \$3,500,000).....	1,000,000
26	Subtotal major special maintenance.....	\$ 1,000,000

1	State Park Construction	
2	Landscape development, various counties.....\$	100,000
3	Silver lake state park off-road vehicle parking and	
4	circulation routes, Oceana county.....	100,000
5	Picnic shelters, various counties.....	200,000
6	Sleepy hollow state park, pond construction, Clinton county	400,000
7	Ionia recreation area, campground development, Ionia county	650,000
8	Seven lakes recreation area, sand lake site restoration,	
9	Oakland county.....	650,000
10	Ralph A. MacMullen conference center-complete dormitory	
11	and prepare plans for classroom expansion, Crawford	
12	county.....	100,000
13	Subtotal state park construction.....	2,200,000
14	State Park Remodeling and Additions	
15	Buildings, utilities, and site work (projects under	
16	\$60,000), various state parks.....\$	1,000,000
17	Subtotal state park remodeling and additions.....	1,000,000
18	Waterways projects	
19	Public access site program	
20	Region I	
21	Baraga county-Silver river, Avon township.....\$	11,200
22	Baraga field station, Baraga township.....	17,500
23	Delta county-Ford river, Ford river township.....	19,700
24	Dickinson county-Norway reservoir, Norway township.....	7,300
25	Iron county-Swan lake, Crystal Falls township.....	12,400
26	Mackinac county-Brevort lake, Brevot township.....	27,600

1	Schoolcraft county-Manistique river, Manistique township...\$	15,900
2	Emergency repairs allotment-various counties.....	20,000
3	Emergency repairs allotment-various counties.....	10,000
4	Small projects allotment-various counties.....	15,000
5	Region II	
6	Benzie county-Upper Herring lake, Blaine township.....	20,000
7	Crawford county-north Higgins lake state park, Beaver	
8	Creek township.....	10,000
9	Grand Traverse county-Arbutus #4 lake, East Bay township...	75,000
10	Grand traverse county-Spider lake, East Bay township.....	35,000
11	Roscommon county-lake St. Helen, Richfield township	105,000
12	Small projects allotment, various counties.....	15,000
13	Emergency repairs allotment - various counties.....	30,000
14	Equipment repairs allotment - various counties.....	15,000
15	Region III	
16	Eaton county-Smithville dam, Hamlin township.....	40,000
17	Genesee county-lake Fenton, Fenton township.....	50,000
18	Lenawee county-Hayes state park, Cambridge township.....	10,000
19	Ottawa county-lake Macatawa, Park township.....	65,000
20	Sanilac county-Port Sanilac, Sanilac township.....	80,000
21	Emergency repairs allotment, various counties.....	50,000
22	Emergency repairs allotment, various counties.....	15,000
23	Small projects allotment, various counties.....	65,000
24	Grants-In-Aid-Public Access Site Program	
25	Ionia county, village of Saranac (grant-in-aid).....	14,400
26	Saginaw county-Tittabawassee river (grant-in-aid).....	75,000

1	Harbors and Docks Program	
2	Cheboygan county-Mackinac City ferry dock.....\$	113,000
3	Huron county-Port Austin east breakwater.....	350,000
4	Huron county-Port Austin harbor.....	15,000
5	Mackinac county-St. Ignace dock #1.....	10,000
6	Mackinac county-St. Ignace dock #2 repairs.....	150,000
7	Presque Isle county-Presque Isle harbor.....	1,000,000
8	Sanilac county Lexington mooring expansion.....	500,000
9	Emergency repairs - various counties.....	250,000
10	Engineering studies - various counties.....	60,000
11	Grants-In-Aid-Harbors and Docks Program	
12	Alpena county - city of Alpena (grant-in-aid).....	100,00
13	Subtotal waterways project.....	3,474,000
14	GROSS APPROPRIATION.....\$	7,674,000
15	Appropriated from:	
16	State park improvement fund.....	3,000,000
17	MacMullen conference center revolving fund.....	100,000
18	State waterways fund.....	3,474,000
19	Off-road vehicle fees.....	100,000
20	State general fund/general purpose.....\$	1,000,000
21	DEPARTMENT OF TRANSPORTATION	
22	STATE TRUNKLINE FUND:	
23	Department Buildings and Facilities: Planning	
24	Aerial survey and stereoplotting of	
25	statewide facilities.....\$	65,000
26	Department Buildings and Facilities: Complete Plans and/or	

1	Begin Construction	
2	Welcome center and rest area, St. Clair county, Port	
3	Huron - to complete plans and begin construction	
4	(total cost not to exceed \$3,500,000).....\$	40,000
5	Covered salt and/or sand storage buildings at maintenance	
6	garage facilities, various counties, various locations..	300,000
7	Project offices, various counties, various locations - to	
8	continue construction (total cost not to exceed	
9	\$2,300,000).....	500,000
10	Department Buildings and Facilities: Construction Projects	
11	Welcome center and rest area, metro district, Wayne	
12	county, Detroit - (total project cost not to exceed	
13	\$5,252,000).....\$	2,022,000
14	Blue water bridge plaza - inspection and office facility,	
15	St. Clair county, Port Huron - complete construction	
16	(total project cost not to exceed \$5,500,000).....	2,500,000
17	Blue water bridge cargo inspection facility, St. Clair	
18	County, Port Huron - complete construction (total	
19	project cost not to exceed \$3,200,000).....	1,500,000
20	Blue water bridge maintenance facility, St. Clair county,	
21	Port Huron - complete construction (total project	
22	cost not to exceed \$3,200,000).....	1,500,000
23	Combined maintenance facility, district 6, Saginaw	
24	county, Saginaw - complete construction (total	
25	cost not to exceed \$1,700,000).....	900,000
26	Combined statewide operations maintenance facility,	

1	district 8, Lansing area - complete land acquisition,	
2	design, and construction - (total cost not to exceed	
3	\$4,200,000).....\$	2,000,000
4	Department Buildings and Facilities: Major Remodeling and	
5	Additions	
6	Energy saving modifications, various locations.....\$	150,000
7	Pollution control measure installation, various locations.	400,000
8	Covered salt storage facilities and brine run-off	
9	control systems, various contract agencies.....	650,000
10	Removal and/or replacement of underground fuel storage	
11	tanks and hazardous materials storage areas,	
12	various locations.....	350,000
13	Installation and/or replacement of hydraulic floor	
14	hoists - various locations.....	100,000
15	Department Buildings and Facilities: Lump Sum Projects	
16	Minor remodeling and additions and special maintenance....\$	1,865,000
17	Institution and Agency Roads	
18	Institution and agency roads.....\$	1,250,000
19	GROSS APPROPRIATION.....\$	16,092,000
20	Appropriated from:	
21	DOT-Federal highway administration highway research,	
22	planning and construction.....	6,509,000
23	State trunkline fund.....	9,583,000
24	State general fund/general purpose.....\$	0
25	AERONAUTICS FUND: AIRPORT PROGRAMS	
26	State hanger.....\$	3,900,000

1	Statewide programs.....	\$	8,875,000
2	Airport loan program.....		75,000
3	State/local airport construction.....		700,000
4	Federal/state/local airport construction.....		47,781,000
5	GROSS APPROPRIATION.....	\$	61,331,000
6	Appropriated from:		
7	DOT-Federal aviation administration.....		50,045,300
8	Local.....		6,281,500
9	State aeronautics fund.....		5,004,200
10	State general fund/general purpose.....	\$	0
11	COMMUNITY COLLEGES		
12	Construction Projects		
13	Washtenaw community college, center for job skills		
14	education - to continue construction (total cost		
15	not to exceed \$10,100,000 - state share including		
16	federal funds not to exceed \$3,000,000).....	\$	1,000,000
17	GROSS APPROPRIATION.....	\$	1,000,000
18	Appropriated from:		
19	State general fund/general purpose.....	\$	1,000,000
20	GRANTS		
21	State building authority rent.....	\$	150,081,000
22	GROSS APPROPRIATION.....	\$	150,081,000
23	Appropriated from:		
24	State building authority 3rd party reimbursement.....		10,000,000
25	State general fund/general purpose.....	\$	140,081,000
26	GENERAL SECTIONS		

Sec. 201. (1) In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending from state sources in this appropriation act is \$280,705,700.00 and state appropriations to be paid to local units of government in section 101 are as follows:

CAPITAL OUTLAY

Community colleges.....	\$	4,700,000
Department of natural resources - waterways		
(grants-in-aid).....		189,400
State transportation department-state aeronautics		
program.....		2,604,200
Total.....	\$	7,493,600

(2) When it appears to the principal executive officer of a department that state spending to local units of government will be less than the amount that was projected to be expended for any quarter, the principal executive officer shall immediately give notice of the approximate shortfall to the department of management and budget, the appropriations committees, and the fiscal agencies.

Sec. 202. As used in this act:

(a) "Appropriations committees" means the appropriations committee of the senate and the appropriations committee of the house of representatives.

(b) "Board" means the state administrative board.

(c) "BSF" means the countercyclical economic and budget stabilization fund created in sections 351 to 359 of the management and budget act, Act No. 431 of the Public Acts of 1984, being sections 18.1351 to 18.1359 of the Michigan Compiled Laws.

(d) "Community college" means a junior or community college. Community college does not include a state agency or university.

1 (e) "Department" means the department of management and budget.

2 (f) "Director" means the director of the department of management and
3 budget.

4 (g) "DOD" means the United States department of defense.

5 (h) "DOI" means the United States department of interior.

6 (i) "DOT" means the United States department of transportation.

7 (j) "Fiscal agencies" means the house fiscal agency and the senate fiscal
8 agency.

9 (k) "HHS-HCFA" means the United States department of health and human
10 services-health care financing administration.

11 (l) "ICF/MR" means intermediate care facilities for the mentally retarded.

12 (m) "JCOS" means the joint capital outlay subcommittee of the appropriations
13 committees.

14 (n) "Self-liquidating project" means a project constructed by a community
15 college or university with money raised through the use of a debt instrument,
16 which project is expected to generate revenues to amortize the loan; a project
17 constructed by a community college or university with money derived from gifts
18 or grants; or a project constructed with money of the community college or
19 university. A self-liquidating project may or may not be a self-supporting
20 project.

21 (o) "Self-supporting project" means a project of a community college or
22 university that will house a function or activity from which revenue is
23 generated that will cover all the direct and indirect operating costs of the
24 project without the additional transfer of any other general fund money of the
25 community college or university.

26 (p) "State agency" means an agency of state government. State agency does

1 not include a community college or university.

2 (q) "University" means a 4-year university supported by the state.

3 University does not include a community college or a state agency.

4 DEPARTMENT OF CORRECTIONS

5 Sec. 301. (1) Appropriations in section 101 to the department of corrections
6 for the construction of new prisons are intended to include the construction
7 and equipping of facilities for the Michigan state industries program from the
8 fund sources indicated in section 101. The actual cost of construction and
9 equipment for permanent Michigan state industries facilities commencing with
10 the Scott regional correctional facility and including those expenditures in
11 prior fiscal years shall be separately identified by the department of
12 management and budget and shall be repaid as provided in this section from the
13 correctional industries revolving fund created by the correctional industries
14 act, Act No. 15 of the Public Acts of 1968, being sections 800.321 to 800.334
15 of the Michigan Compiled Laws.

16 (2) An expenditure for the Michigan state industries program from the general
17 fund or BSF shall be repaid to the general fund in annual payments. The cost
18 for construction shall be amortized over a 30-year period, and the cost for
19 fixed equipment shall be amortized over 10 years. A payment is due at the end
20 of each fiscal year. For a new facility, the first payment shall be based on
21 the portion of the year for which the facility is available for occupancy. The
22 interest rate shall be determined annually, shall equal the average rate of
23 interest earnings for the common cash fund during that year, and shall be on
24 the total outstanding balance of all such repayments less the average daily
25 cash balance on hand in the correctional industries revolving fund during that
26 year. In the event that all or part of the facility is converted to use for a

1 program other than the Michigan state industries program, the payment from the
2 correctional industries revolving fund shall be terminated or reduced
3 accordingly.

4 (3) The department of corrections may defer part or all of a payment required
5 by subsection (2). A deferral constitutes an extension of the effective
6 repayment schedule with interest to be computed on the unpaid balance.

7 Sec. 302. A maximum security prison that is constructed or completed after
8 October 1, 1986, shall have operating manned watchtowers, equipped with the
9 weaponry, lighting, sighting, and communications devices necessary for
10 effective execution of its function. The watchtowers shall be constructed
11 pursuant to the American correctional association standards for watchtowers.

12 Sec. 303. (1) An appropriation and authorization contained in this act or a
13 previous appropriations act for the construction of a new correctional
14 facility, including a correctional camp, for which a specific site was not
15 identified with the appropriation shall not be expended until approved by JCOS.

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

18 Sec. 304. None of the \$1,500,000.00 appropriated in Act No. 134 of the
19 Public Acts of 1987 for the construction of the Michigan reformatory housing
20 unit shall be released until an agreement has been reached between the
21 department of corrections and the Ionia county board of commissioners similar
22 to commitments and agreements that were given in writing to Detroit, Coldwater,
23 and other communities in which prisons have been placed in the 5 fiscal years
24 before the fiscal year ending September 30, 1990, or communities in which
25 prisons are in the process of being located.

26 Sec. 305. None of the \$42,000,000.00 appropriated in Act No. 134 of the

1 Public Acts of 1987 for the construction of the Muskegon regional prison shall
2 be released until the department of corrections agrees to grant to Muskegon
3 county commitments and agreements similar to those given in writing to Detroit,
4 Coldwater, and other communities in which prisons have been placed in the 5
5 fiscal years before the fiscal year ending September 30, 1990, or communities
6 in which prisons are in the process of being located.

7 DEPARTMENT OF MANAGEMENT AND BUDGET

8 Sec. 401. (1) A contract shall not be let for new construction of a
9 self-liquidating project estimated to cost more than \$500,000.00 unless the
10 project is authorized by the JCOS. The request for legislative authorization
11 shall be initially submitted for review to the JCOS and the department. As
12 used in this section, "new construction" includes land or property acquisition,
13 remodeling and additions, and maintenance projects. A nonstate funded project
14 request shall include a complete use and financing statement as defined by a
15 policy adopted by the JCOS. The use and financing statement for a
16 self-liquidating or self-supporting project shall contain the estimated total
17 construction cost and all associated estimated operating costs including a
18 statement of anticipated revenues.

19 (2) A self-liquidating project that is constructed in violation of this
20 section shall not receive state appropriations for purposes of operating the
21 project.

22 (3) A state agency, including the department of military affairs, shall not
23 let a contract for a direct federally funded capital outlay construction or
24 major maintenance project that is estimated to cost more than \$250,000.00 and
25 is to be constructed on state-owned lands unless the project is approved by the
26 department and by the JCOS. For projects over \$250,000.00, the state agency

1 shall submit a use and finance statement as required for community colleges and
2 universities in subsection (1). As used in this subsection, "direct federally
3 funded" means federal payments made directly to the construction vendor and not
4 to the state of Michigan.

5 Sec. 402. (1) A statement of a proposed facility's operating cost shall be
6 included with the facility's schematic plans and with the facility's
7 preliminary plans when the plans are presented to JCOS for approval.

8 (2) Except as otherwise expressly provided, the schematic and preliminary
9 planning costs for a project costing \$1,000,000.00 or more, whether authorized
10 as a specific planning project or as a line item project, shall be allocated
11 only from the lump-sum planning account.

12 Sec. 403. (1) In carrying out this act and other acts containing
13 appropriations for preliminary studies and planning, repair, maintenance,
14 remodeling and additions, fire protection, occupational safety and health act
15 requirements, or new construction, the department may obtain appropriated
16 operating funds for professional services and administration of projects. For
17 professional services, not more than \$600,000.00 shall be obtained by
18 appropriate transfers from the project appropriation in the acts for which the
19 department furnishes any part or all of the architectural engineering or
20 similar professional services. A project appropriation shall not be charged
21 with an amount greater than the cost for having the services performed by
22 contract. Unused balances for these services shall lapse to the fund from
23 which appropriated and not to the project appropriation. Money may also be
24 transferred from appropriations made in this act to the department for the
25 administration of a special maintenance, remodeling and addition, demolition,
26 fire protection, or occupational safety and health act project. A transfer for

1 this purpose shall not exceed 5% of the amount appropriated for each lump-sum
2 appropriation and is available for 3 complete fiscal years from the beginning
3 of this act's fiscal year after which any unused balance shall lapse. Money may
4 also be used for administration of projects from line item construction
5 projects for which the department is an agent, but these transfers shall not
6 exceed 1.5% of the amount appropriated for each individual project. Any unused
7 balance from these projects shall not lapse at the end of each fiscal year, but
8 shall carry over into succeeding fiscal years to be used for the purpose
9 authorized. The department shall submit to the appropriations committees,
10 JCOS, and the fiscal agencies a report of these transfers at the end of each
11 fiscal year.

12 (2) Except as provided in subsection (1) and section 244(1) of the management
13 and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1244
14 of the Michigan Compiled Laws, an expenditure shall not be made for salaries
15 and wages from any appropriation in this act.

16 Sec. 404. A state agency or university shall take steps necessary to make
17 available federal and other money indicated in this act, or to make available
18 federal or other money that may become available for the purposes for which
19 appropriations are made in this act, and to use any part or all the
20 appropriations to meet matching requirements that are considered to be in the
21 best interest of the state, but the purpose, scope, and total estimated cost of
22 a project shall not be altered to meet the matching requirements.

23 Sec. 405. This act is subject to the management and budget act, Act No. 431
24 of the Public Acts of 1984, being sections 18.1101 to 18.1594 of the Michigan
25 Compiled Laws.

26 Sec. 406. (1) The lump-sum appropriations made in this act for remodeling

1 and addition, special maintenance, major special maintenance, energy
2 conservation, demolition, ICF/MR, air-conditioning, and fire protection
3 projects shall be allocated by the director. Community college and university
4 special maintenance and remodeling and addition funds shall be allocated by
5 formula approved by the JCOS, and for the other lump sums, in order of program
6 priority and need of the various state agencies or as otherwise based on actual
7 building inspection reports by regulatory agencies. The minimum amount from
8 the formula should be an amount equal to the formulated allocation if such
9 amount is less than \$50,000.00. The director may award or approve the award of
10 suitable professional services and construction contracts to study, plan,
11 construct, and equip the projects authorized. Construction contracts approved
12 by the director shall be awarded to the lowest acceptable bidders after being
13 advertised publicly. A project authorized from a lump-sum appropriation has 3
14 fiscal years from the beginning of this act's fiscal year for the award of
15 contracts after which any unencumbered balance of the appropriation or of any
16 allocations made to a project from the appropriation shall revert to the
17 general fund. For purposes of this subsection, a balance for a project shall
18 not be considered encumbered unless the project is bid.

19 (2) A specific allocation or distribution shall not be made to a community
20 college or university unless the community college or university submits a
21 management plan to the department for allocation or distribution according to
22 the formula cited in subsection (1).

23 (3) Any remaining balances from allocations made in this section shall lapse
24 to the general fund pursuant to the lapsing of lump sums as provided in the
25 management and budget act, Act No. 431 of the Public Acts of 1984, being
26 sections 18.1101 to 18.1594 of the Michigan Compiled Laws.

1 (4) All audits of the auditor general's office shall include a statement as
2 to the compliance with allocations or distributions according to the formula
3 cited in subsection (1).

4 (5) When allocating the appropriations in section 101 for community college
5 special maintenance and remodeling and additions, for university special
6 maintenance, and for university remodeling and additions, the department shall
7 take into consideration similar appropriations contained in other budget acts.

8 (6) An amount shall not be expended for a lump-sum project that is over
9 \$500,000.00. The \$500,000.00 limitation provided by this subsection is the
10 total project cost against which the state share requirements as provided in
11 this act, if any, shall be applied.

12 (7) Before August 15, 1990, the department shall submit a report to the JCOS
13 and the fiscal agencies indicating the total cost and status of all lump-sum
14 projects funded under this act and any previous act that have been designated
15 as proposed, designed, bid, under construction, or completed within the current
16 fiscal year.

17 (8) The amount appropriated in section 101 for state capitol repairs shall
18 also be expended for areas of the capitol occupied by the legislature. The
19 lump-sum amounts for special maintenance shall also be used for areas occupied
20 by the legislature.

21 (9) A planning project or construction project appropriated for the airport
22 program shall be considered the same as a capital outlay account and shall be
23 subject to the requirements and restrictions stated in this act relative to all
24 capital outlay accounts for construction unless otherwise expressly provided.
25 This subsection does not apply to an operating account otherwise established by
26 law.

1 Sec. 407. (1) The department shall provide the JCOS and the fiscal agencies
 2 with reports as considered necessary relative to the status of each planning or
 3 construction project financed by the state building authority, by this act, or
 4 by previous acts.

5 (2) Before August 15, 1990, the department shall report to the JCOS and the
 6 fiscal agencies the following for each construction project other than lump
 7 sums:

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

9 (b) The balance remaining in each account.

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

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

12 (e) The appropriations history for the project.

13 (f) The professional service contractor.

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

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

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

18 (3) Before August 15, 1990, the department shall report the following for
 19 each project by state agency, university, and community college that is
 20 authorized for planning but is not yet authorized for construction:

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

22 (b) Whether a program statement is approved.

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

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

25 (e) Name of professional service contractor.

26 (4) As used in this section, "project" includes appropriation line items

1 made for purchase of real estate.

2 Sec. 408. (1) This section applies only to projects for community
3 colleges.

4 (2) State support is directed towards the remodeling and additions,
5 special maintenance, or construction of certain community college buildings.
6 The community college shall obtain or provide for site acquisition and initial
7 main utility installation to operate the facility. Funding shall be comprised
8 of local and state shares, and the state share shall include 50% of any federal
9 money awarded for projects appropriated in this act.

10 (3) The director shall not recommend to the board the release of any
11 planning appropriation, except campus master plans, until the community college
12 has submitted a program statement for the project to the director and to the
13 JCOS and until the program statement is approved by the director. After the
14 program statement is approved and the planning appropriation is released, the
15 community college shall submit the name of the firm proposed to provide
16 professional services to the director for concurrence by the state.

17 (4) Upon completion of the final planning documents for the project and
18 before bidding, the community college shall submit final planning documents to
19 the department for its review, approval, and certification that the purpose and
20 scope described in the final planning documents do in fact correlate with and
21 reflect the approved preliminary planning documents.

22 (5) An expenditure under this act is authorized when the release of the
23 appropriation is approved by the board upon the recommendation of the
24 director. The director may recommend to the board the release of any
25 appropriation in section 101 only after the director is assured that the legal
26 entity operating the community college to which the appropriation is made has

1 complied with this act and has matched the amounts appropriated as required by
2 this act, and the director has received a certified report of the advertised
3 competitive bids for the project and the proposed budget based on the amounts
4 of the lowest acceptable bids. A release of funds in section 101 shall not
5 exceed 50% of the total cost of planning and construction of any project, or of
6 any campus master plan, not including lump-sum remodeling and additions and
7 special maintenance. Further planning and construction of a project authorized
8 by this act shall be in accordance with the purpose and scope as defined and
9 delineated in the approved program statements and preliminary planning
10 documents. This act is applicable to all projects for which planning
11 appropriations were made in previous acts.

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

19 (7) Not more than 50% of a capital outlay project, not including a
20 lump-sum special maintenance project or remodeling and addition project, for a
21 community college shall be appropriated from state and federal funds.

22 Sec. 409. If matching revenues are restricted in an amount less than the
23 appropriations contained in this act, the state funds of the appropriation
24 shall be reduced in proportion to the amount of matching revenue received.

25 Sec. 410. (1) Subject to the provisions of section 242 of Act No. 431 of
26 the Public Acts of 1984, being section 18.1242 of the Michigan Compiled Laws,

1 the department may expend from the general fund of the state during the fiscal
2 year ending September 30, 1990, an amount to meet the cash flow requirements of
3 the state building authority projects identified in both section 101 and in
4 this section and for the sole acquisition by the state building authority of
5 equipment and furnishings for lease to the state as permitted by Act 183 of the
6 Public Acts of 1964, as amended.

7 State building authority correctional facilities are listed below. They
8 are estimated to cost \$781,550,000 with state building authority bonds
9 estimated to finance \$661,440,000.

10 Region 6--Lenawee county and Kinross--Chippewa county temporary facilities
11 (2)--(total cost not to exceed \$29,200,000)

12 Gratiot temporary facility--Gratiot county (total cost not to exceed
13 \$10,700,000)

14 Huron Valley women's correctional facility/support facilities--(Washtenaw
15 county) (total cost not to exceed \$3,850,000)

16 Lapeer regional prison--Lapeer county (total cost not to exceed \$36,000,000)

17 Jackson regional prison--Jackson county (total cost not to exceed
18 \$36,000,000)

19 Ionia maximum prison--Ionia county (total cost not to exceed \$38,000,000)

20 Macomb regional prison--Macomb county (total cost not to exceed \$46,000,000)

21 Oakland regional prison--Oakland county (total cost not to exceed
22 \$42,000,000)

23 Northern Michigan prison--Baraga county (total cost not to exceed
24 \$42,000,000)

25 Detroit regional prisons (2)--Wayne county (total cost not to exceed
26 \$104,800,000)

1 Standish maximum security prison-Arenac county (total cost not to exceed
2 \$42,000,000)

3 Muskegon regional prison-Muskegon county (total cost not to exceed
4 \$42,000,000)

5 Carson city regional prison-Montcalm county (total cost not to exceed
6 \$42,000,000)

7 Region 5 regional prison-Saginaw (total cost not to exceed \$42,000,000)

8 Kinross regional prison-Chippewa county (total cost not to exceed
9 \$42,000,000)

10 Western Wayne correctional facility (Dehoco)-Wayne County (total cost not
11 to exceed \$27,500,000)

12 Region 6 regional prison-Lenawee county (total cost not to exceed
13 \$42,000,000)

14 Close custody prison-Manistee county (total cost not to exceed \$42,000,000)

15 Camp facilities (total cost not to exceed \$28,000,000)

16 Maximum security prison-Alger county (total cost not to exceed \$42,000,000)

17 Michigan reformatory housing unit-Ionia county (total cost not to exceed
18 \$1,500,000)

19 (2) Upon sale of bonds for the projects identified in section 101 and in
20 this section, the state building authority shall credit the general fund of the
21 state an amount equal to that expended from the general fund.

22 (3) For purposes of financing the state building authority projects, the
23 state treasurer shall make advances without interest from the general fund as
24 necessary to meet cash flow requirements for the projects, which advances shall
25 be reimbursed by the state building authority when the investments earmarked
26 for the financing of the projects mature.

1 (4) In accordance with section 246 of the management and budget act, Act
2 No. 431 of the Public Acts of 1984, being section 18.1246 of the Michigan
3 Compiled Laws, the total authorized cost for the department of justice consent
4 order is \$25,975,000.00 and the total authorized cost for the Hadix consent
5 order is \$33,600,000.00.

6 (5) The appropriations identified for correctional facilities in section
7 101, in Act No. 316 of the Public Acts of 1984, in Act Nos. 108 and 207 of the
8 Public Acts of 1985, in Act No. 205 of the Public Acts of 1986 and in Act No.
9 300 of the Public Acts of 1988 for lump-sum prison projects and new prison
10 construction projects may also be expended for cash flow of the project costs
11 authorized in subsection (4).

12 (6) It is the intention of the legislature that the balance of the bond
13 proceeds resulting from the application of House Concurrent Resolution No. 198
14 of 1987 recognizing and approving the bonding of the Lapeer regional, Jackson
15 regional, and Ionia maximum security projects are appropriated to finance the
16 cash flow of the correctional construction program.

17 Sec. 411. (1) The department may expend from the lump-sum special
18 maintenance account amounts necessary to demolish any building that is
19 specifically authorized by law to be demolished.

20 (2) Before July 15, 1990, each state agency, community college, and
21 university shall report to the department the status of and planned schedule
22 for demolition projects already authorized but not yet started, the estimated
23 cost of the projects, and the anticipated sources of finance of the projects.

24 Sec. 412. The following planning projects/special studies are subject to
25 the provisions of the management and budget act:

26 Planning-northern Michigan university - update campus plan

1 Department of management and budget - office building(s)

2 Department of military affairs - headquarters addition

3 Department of social services - regional centers

4 Department of state police - headquarters (reauthorization)

5 Alpena community college - student community business center

6 Glen Oaks community college - remodeling/additions - main building

7 Kalamazoo community college - downtown center

8 Schoolcraft community college - student services facility

9 West Shore community college/Industrial skills center

10 Sec. 412a. The planning funds appropriated in section 101 are subject to
11 the management and budget act, Act No. 431 of the Public Acts of 1984, being
12 sections 18.1101 to 18.1594 of the Michigan Compiled Laws.

13 Sec. 413. The appropriation in section 101 to the department of
14 management and budget for special maintenance and remodeling and additions
15 projects of state agencies includes \$300,000.00 for the state capitol-house of
16 representatives, \$300,000.00 for the state capitol-senate, and \$150,000.00 for
17 the state capitol-department of management and budget, to upgrade the state
18 capitol building.

19 Sec. 414. (1) The appropriation in section 101 from the BSF is made
20 pursuant to section 353 of Act No. 431 of the Public Acts of 1984, being
21 section 18.1353 of the Michigan Compiled Laws.

22 (2) The director may retain the appropriated allowable withdrawals in the
23 BSF previously appropriated for prison projects in Act No. 300 of the Public
24 Acts of 1988, Act No. 205 of the Public Acts of 1986 and Act Nos. 108 and 207
25 of the Public Acts of 1985, and those authorized in section 101, to maximize
26 BSF interest earnings until the time that the appropriations are necessary for

1 cash flow expenditures.

2 Sec. 415. Subject to section 408, a consortium comprised of a community
3 college and a university may receive up to 100% of the total project capital
4 cost allocated to the participating university if all of the following criteria
5 are met and approved by the JCOS and the department:

6 (a) The university and the community college have entered into a binding
7 consortium joint use agreement for use and maintenance of the facility and for
8 the pro rata offset of the community college's and university's future state
9 appropriations equal to the straight-line undepreciated balance of the
10 university's appropriated capital cost upon termination of the agreement prior
11 to the minimum term requirements in subdivision (b). Any appropriation offset
12 required by this section shall be structured in a manner so as not to impair
13 the rating or repayment of the local funding mechanism.

14 (b) The joint use agreement is for a term of not less than 15 years or the
15 term of the local funding mechanism, whichever is longer.

16 (c) Articulation agreements have been entered into which provide for
17 maximum credit transfer and efficient program completion.

18 (d) In addition to lower division offerings, the facility will accommodate
19 only upper division first professional degree programs not already offered by a
20 university currently serving the area.

21 (e) There is recognized community and industrial support for the
22 consortium facility.

23 Sec. 416. Federal money collected from the United States veterans'
24 administration in excess of the amount appropriated in any fiscal year and any
25 unexpended balance at the close of a fiscal year shall be carried forward to
26 the following fiscal year to be appropriated statewide for veterans programs.

1 Sec. 417. The department shall not require construction contractors that
2 are to be paid with appropriations made pursuant to this act to pay prevailing
3 wages as a condition of any bid or contract unless the payment of prevailing
4 wages is otherwise specifically required by law.

5 Sec. 418. (1) If a capital outlay appropriation is contained in a public
6 act that was not reviewed by the JCOS during the legislative process, the
7 director shall notify the JCOS of an allotment of that capital outlay
8 appropriation not less than 60 days before the allotment.

9 (2) For the purposes of this section, "capital outlay appropriation" means
10 an appropriation that provides for the construction, renovation, or repair of a
11 capital facility or acquisition or development of land, which appropriation is
12 normally reviewed by the JCOS.

13 Sec. 419. From a capital outlay appropriation authorizing the completion
14 of final plans and start of construction, or an appropriation to complete plans
15 and construction, the department shall reimburse the lump-sum planning account
16 an amount equal to the releases made from the lump-sum planning account for
17 studies, schematic plans, or preliminary plans for that project, after the JCOS
18 has approved the project for final planning and start or completion of
19 construction. This section only applies to new construction projects
20 authorized for start of construction beginning with the fiscal year 1989.

21 Sec. 421. The appropriation in section 101 for state building authority
22 rent may also be expended for 1 or more of the following purposes:

23 (a) Payment of the required premiums for insurance on facilities owned by
24 the state building authority.

25 (b) Payment of costs that may be incurred as the result of any deductible
26 provisions in the insurance policies purchased in accordance with subdivision

1 (a).

2 (c) To the extent the amount appropriated in section 101 for state
3 building authority rent is insufficient for payment of amounts required by
4 subdivision (b), there is appropriated from the general fund of the state the
5 amount necessary to satisfy those deductible provisions.

6 Sec. 422. It is the intention of the legislature that the university of
7 Michigan take the necessary actions to ensure that eligible interest
8 reimbursements from third party providers are made available to the state to
9 satisfy part of the amount appropriated for the university of Michigan adult
10 general hospital facility rent appropriation of \$27,917,000.00 contained within
11 the state building authority rent appropriation in section 101. To the extent
12 of a difference between the estimated and actual amount received, there is
13 appropriated from the general fund of the state the amounts necessary to
14 satisfy the hospital rental requirements of the state building authority's 1986
15 revenue refunding bonds, series I. To the extent payments made to the state by
16 the university of Michigan are required to be reimbursed pursuant to the
17 agreement with the university of Michigan, there is appropriated from the
18 general fund the amount necessary for such reimbursement.

19 Sec. 423. The library of Michigan foundation may receive gifts and grants
20 for the construction of the state library/museum. The amounts received may be
21 expended toward the completion of the facility pursuant to the facility's
22 approved plans.

23 Sec. 424. If the JCOS approves, the department, for purposes of
24 administrative and fiscal efficiency, may consolidate or discontinue federal
25 surplus property warehouses administered pursuant to Act No. 139 of the Public
26 Acts of 1961, being sections 18.251 to 18.261 of the Michigan Compiled Laws.

1 DEPARTMENT OF MENTAL HEALTH

2 Sec. 501. The appropriation in section 101 to the department for the
3 department of mental health for major special maintenance and remodeling and
4 addition projects, including air-conditioning projects, is subject to review
5 and approval by the director of an annual plan. The plan shall outline each
6 project to be undertaken as a result of this appropriation, project cost,
7 description of the work that is involved, and an explanation of the impact the
8 project has on the operating program. A copy of the plan, as approved, shall
9 be given to the JCOS and the fiscal agencies.

10 DEPARTMENT OF NATURAL RESOURCES

11 Sec. 601. The appropriation made in this act for the harbor and docks
12 program is for the purpose of participating with the federal government and
13 assisting political entities and subdivisions of this state in the construction
14 and improvement of recreational boating facilities within this state. Subject
15 to the approval of the board, this money shall be allocated by the department
16 of natural resources to the federal government, or to the political entities or
17 local units of government involved in the particular projects. An allocation
18 shall not exceed the state portion as listed with each project description.
19 The department of natural resources shall take the steps necessary to match
20 federal money available for the construction and improvement of recreational
21 boating facilities within this state, and to meet requirements of the federal
22 government.

23 Sec. 602. (1) Before August 15, 1990, the department of natural resources
24 shall report to the JCOS the status of each project that received an
25 appropriation in any capital outlay act, if the project is either not completed
26 or has a balance remaining in its account. The report shall be in the same

1 form and contain the information as required under section 407. The report
2 shall be separated into the following areas, by fund sources:

- 3 (a) Waterways projects.
- 4 (b) Urban recreation projects.
- 5 (c) State park projects.
- 6 (d) Wildlife and fisheries projects.
- 7 (e) Other projects.

8 (2) A project request for reauthorization by the department of natural
9 resources shall also be identified within the report prescribed by subsection
10 (1). These reauthorization requests shall identify the subsection number of
11 section 248 of the management and budget act, Act No. 431 of the Public Acts of
12 1985, being section 18.1248 of the Michigan Compiled Laws, that provides the
13 reason and justification for the requested reauthorization.

14 (3) A project shall be reauthorized if approved by the JCOS after review
15 by the department.

16 STATE TRANSPORTATION DEPARTMENT

17 Sec. 701. (1) From federal-state-local project appropriations contained
18 in section 101 for the purpose of assisting political entities and subdivisions
19 of this state in the construction and improvement of publicly used airports and
20 landing fields within this state, the state transportation department may
21 permit the award of contracts on behalf of units of local government for the
22 authorized locations not to exceed the indicated amounts of which the state
23 allocated portion shall not exceed the amount appropriated in section 101.

24 (2) Political entities and subdivisions shall provide not less than 5% of
25 the cost of any project under this section. State money shall not be allocated
26 until local money is allocated, and state money for any location shall not

1 exceed 1/3 of the total appropriation from state aeronautics funds.

2 (3) The state aeronautics commission may take those steps necessary to
3 match federal money available for airport construction and improvement within
4 this state, and to meet the matching requirements of the federal government.
5 Whether acting alone or jointly with another political subdivision or with the
6 state, a political subdivision or another public agency of this state shall not
7 submit to any agency of the federal government a project application for
8 airport planning or development unless it is authorized in this act and the
9 project application is approved by the governing body or bodies of the
10 political unit or units making the application, and by the state aeronautics
11 commission.

12 Sec. 702. The state transportation department shall notify the JCOS 30
13 days prior to the allocation of federal/local airport discretionary
14 contingencies appropriations authorized in section 101.

15 Sec. 703. (1) Before August 15, 1990, the state transportation department
16 shall report to the JCOS the status of each project that received an
17 appropriation in any capital outlay act, if the project is either not completed
18 or has a balance remaining in its account. The report shall be in the same
19 form and contain the information as required under section 407. The report
20 shall be separated into the following areas:

21 (a) Highway programs:

22 (i) Lump sums.

23 (ii) Construction.

24 (b) Airport programs:

25 (i) Lump sums.

26 (ii) Construction.

1 (2) A project request for reauthorization by the the state transportation
2 department shall also be identified within the reports prescribed by subsection
3 (1). These reauthorization requests shall identify the subsection number of
4 section 248 of the management and budget act, Act No. 431 of the Public Acts of
5 1985, being section 18.1248 of the Michigan Compiled Laws, that provides the
6 reason and justification for the requested reauthorization.

7 (3) A project shall be reauthorized if approved by the JCOS after review
8 by the department.