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BILL ANALYSIS

Senate Fiscal Agency

Lansing, Michigan 48909

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House Bill 5207 (Substitute S-2 as reported)**Sponsor: Representative David C. Hollister****House Committee: Appropriations****Senate Committee: Government Operations**

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Date Completed: 6-29-88**RATIONALE**

Public Act 123 of 1987 created the Michigan Capitol Committee to advise the Governor, Senate Majority Leader, and Speaker of the House regarding the restoration and preservation of Michigan's Capitol building and grounds. This law was passed to coordinate the efforts of the three branches of State government concerning the Capitol's restoration and maintenance, as well as to respond to the growing interest in restoring the Capitol and preserving its historical significance. Public Act 123, however, does not address a Capitol park that has been proposed for State-owned land adjacent to the Capitol grounds. Some have suggested that an advisory committee for the park, too, is needed to ensure coordination in the development of the two areas.

CONTENT

The bill would amend the Management and Budget Act to establish the Michigan Capitol Park, and establish the Michigan Capitol Park Commission within the Department of Management and Budget (DMB) and prescribe its powers and responsibilities concerning the development and operation of the Park. The Commission would exercise its powers, duties, and functions independently of the Director of the DMB.

Under the bill, the Michigan Capitol Park would be designated as "all real property owned by the state, located in downtown Lansing and bounded by Ottawa Street on the north, Allegan Street on the south, the vacated portion of Sycamore Street that is located between Ottawa and Allegan Streets on the east, and Logan Street on the west". Additional property located outside these boundaries could be designated as part of the Park by resolution of the Commission. The Commission, in consultation with the Director of the DMB, would be required to adopt a resolution designating property to be included in the Park, including property which would be under the exclusive jurisdiction of the Michigan Capitol Park Commission or under the joint jurisdiction of the DMB and the Commission. The resolution could not include real property under the jurisdiction of the Michigan Capitol Committee established under the Legislative Council Act.

Currently under the Act, the DMB is responsible for managing, assigning space in, and operating most State facilities. The Act's definition of "facilities", however, excludes some buildings from DMB control. The bill specifies that the DMB could not assign space in buildings and premises designated as part of the Park and under the exclusive definition of the Commission, or assign space in buildings under the jurisdiction of the Legislature or the Michigan Capitol Committee, unless requested by the

Commission, Legislature, or Committee. The bill also specifies that a building would not be considered a "facility" under the jurisdiction of the DMB if more than one-half of the building were under the jurisdiction of the Legislature.

The Commission would consist of seven members appointed by the Governor with the advice and consent of the Senate. Of the seven members, the Governor would be required to appoint one person recommended by the mayor of the City of Lansing, one person recommended by the Senate Majority Leader, and one person recommended by the Speaker of the House. Members would serve staggered four-year terms of office. All would serve without compensation, except for reimbursement of expenses incurred in connection with their duties. The Commission would be subject to the Open Meetings Act and the Freedom of Information Act.

The Commission would be required to:

- Develop a master plan for the Michigan Capitol Park, manage its development, and be responsible for the operation of programs within the Park.
- Promulgate rules to implement the bill.
- Act as an advisory body to the DMB regarding the development and operation of real property not designated as part of the Park (including the siting of new State office buildings).
- Confer and cooperate with the Michigan Capitol Committee.
- Coordinate—with the City of Lansing—State activities or developments in and around the Park.
- Advise the Department of State Police regarding the provision of police and security services and the enforcement of rules for the care and preservation of the Park.
- Annually report to the Governor and the Legislature on the activities of the Commission, on the development of the master plan for the Park, and on the operation of the Park.

The Commission could also accept gifts, contributions, and bequests from any person, business, or governmental entity; enter into contracts, fix rental prices for concessions and the short-term use of property within the Park; and employ a director and other persons. All money received from rentals or privileges would have to be paid promptly into the State Treasury, to be credited to the General Fund.

The bill would take effect September 1, 1988.

MCL 18.1114 et al.

H.B. 5207 (6-29-88)

SENATE COMMITTEE ACTION

The Senate Government Operations Committee adopted a substitute (S-2) that would require the Commission to adopt a resolution if additional property were to be included in the Park; reduce the size of the proposed Commission from 10 to seven members; delete the Directors of the DMB and Department of Natural Resources as ex officio members; delete the requirement that no more than four appointed members be from the same political party; authorize the Commission to accept bequests from anyone, rather than only bequests of unrestricted funds; and set an effective date.

FISCAL IMPACT

The Legislature appropriated \$496,300 for FY 1987-88 for a capitol park district commission. For FY 1988-89, the Governor has recommended a funding level of \$151,100 and the establishment of 2.0 FTE positions for the Commission.

ARGUMENTS

Supporting Argument

Michigan's capital city symbolizes much about the State: it is a center of industry, education, and government, and should reflect all that is best about the State. The proposed Capitol Park Commission is an outgrowth of a new spirit of cooperation between the State and the City of Lansing, and would oversee the development of an attractive and welcoming capital city. As the largest employer in downtown Lansing, the State should take some responsibility for the city's condition, and recent years have seen a sprucing up of the capital city. While the park proposal has been in the works for some time, the bill could provide the impetus needed to go forward with this project. The city, with the help of the Capitol Committee and the Capitol Park Commission, would encompass an inviting, landscaped area that would provide a proper setting for the restored Capitol, while at the same time complementing the surrounding downtown neighborhoods. The Commission also could designate additional park property, such as Lansing's Civic Center, if such an acquisition were considered desirable and feasible.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.