



Senate Fiscal Agency
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Senate Bill 803 (Substitute S-1 as passed by the Senate)
Sponsor: Senator Roger Kahn, M.D.
Committee: Government Operations

Date Completed: 8-12-14

CONTENT

The bill would enact the "Official Residence Act" to do the following:

- **Create the Official Residence Commission and make it responsible for the Governor's residence in Lansing and the grounds of the residence.**
- **Create the "Official Residence Fund" and authorize the Commission to spend money in the Fund to carry out its responsibilities.**
- **Limit the Fund balance to \$200,000 and allocate any excess to the General Fund.**
- **Require the Department of Technology, Management, and Budget to provide staff to the Commission.**

Official Residence

"Official residence" would mean the Governor's residence and grounds in Lansing bounded by Oxford Road on the south, Nottingham Road on the west, Moores River Drive on the north, and lots 2 and 12 of Riverside Homes Company Subdivision No. 1 on the east.

Commission

The official residence would be under the exclusive control of the proposed Official Residence Commission.

The Commission would consist of the following:

- The Director of the Department of Technology, Management, and Budget, or his or her designee.
- Two individuals appointed by the Governor, including at least one with expertise and experience in operations, maintenance, or restoration of historic structures.

Commission members would have to serve without compensation but could be reimbursed for their actual and necessary expenses. The Commission would be subject to the Open Meetings Act and the Freedom of Information Act.

The Commission would be required to do all of the following:

- Operate and manage the official residence.
- Maintain, restore, and improve the official residence.
- Contract with any person for purposes of procuring goods or services or otherwise carrying out the Commission's responsibilities regarding the official residence.

- Make recommendations to the Governor, the Senate, and the House of Representatives regarding funding for the official residence.
- Carry out other responsibilities as provided by law.

Fund

The Official Residence Fund would be created in the State Treasury. The Commission could spend money from the Fund to carry out its responsibilities under the proposed Act.

Money in the Fund at the close of the fiscal year would remain in the Fund and not lapse to the General Fund. If money in the Fund exceeded \$200,000 at the close of any State fiscal year, however, the amount in excess of \$200,000 would lapse to the General Fund.

The State Treasurer could receive money or other assets from any source for deposit into the Fund, including private gifts, bequests, and donations. The Treasurer would have to direct the investment of the Fund, and credit to it interest and earnings from investments. The Commission would be the administrator of the Fund for auditing purposes.

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

In FY 2012-13, the Department of Technology, Management, and Budget spent approximately \$350,000 on maintenance and support for the Executive residence in Lansing.

Costs related to members of the proposed Official Residence Commission would be minimal. Members would serve without compensation, but could be reimbursed for actual and necessary expenses. Amounts deposited in the proposed Official Residence Fund would depend on annual appropriations and funding generated through donations.

Fiscal Analyst: Bill Bowerman

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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.