

HOUSE BILL No. 4377

EXECUTIVE BUDGET BILL

February 23, 2005, Introduced by Rep. Whitmer and referred to the Committee on Appropriations.

A bill to make appropriations for certain capital outlay programs and state departments and agencies for the fiscal year ending September 30, 2006; 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
5 outlay projects at the various state agencies for the fiscal year
6 ending September 30, 2006, from the funds indicated in this part.
7 The following is a summary of the appropriations in this part:

8 **CAPITAL OUTLAY**

9 APPROPRIATIONS SUMMARY:

10	GROSS APPROPRIATION.....	\$	512,159,500
11	Interdepartmental grant revenues:		
12	Total interdepartmental grants and		
13	intradepartmental transfers		2,000,000
14	ADJUSTED GROSS APPROPRIATION.....	\$	510,159,500
15	Federal revenues:		
16	Total federal revenues		155,075,000
17	Special revenue funds:		
18	Total local revenues.....		20,000,000

1	Total private revenues.....		0
2	Total state restricted revenues.....		59,082,300
3	State general fund/general purpose	\$	276,002,200
4	Sec. 102. DEPARTMENT OF AGRICULTURE		
5	Farmland and open space development acquisition	\$	<u>7,500,000</u>
6	GROSS APPROPRIATION.....	\$	7,500,000
7	Appropriated from:		
8	Federal revenues:		
9	DAG, multiple grants.....		2,500,000
10	Special revenue funds:		
11	Agriculture preservation fund		5,000,000
12	State general fund/general purpose	\$	0
13	Sec. 103. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS		
14	For department of military and veterans affairs		
15	special maintenance remodeling and additions.....	\$	5,000,000
16	Camp Grayling, multiple company headquarters		
17	buildings (phase II), for design and construction		
18	(total authorized cost \$18,500,000; federal		
19	share \$18,500,000)		18,500,000
20	Land acquisitions and appraisals statewide.....		<u>200,000</u>
21	GROSS APPROPRIATION.....	\$	23,700,000
22	Appropriated from:		
23	Federal revenues:		
24	DOD, department of the army - national guard bureau..		23,500,000
25	Special revenue funds:		
26	Armory construction fund.....		200,000
27	State general fund/general purpose	\$	0

Sec. 104. DEPARTMENT OF NATURAL RESOURCES

(1) STATE PARK REMODELING AND ADDITIONS

State parks repair and maintenance	\$	1,000,000
Forest roads, bridges and facilities		<u>900,000</u>
GROSS APPROPRIATION.....	\$	1,900,000

Appropriated from:

Special revenue funds:

State park improvement fund		1,000,000
Forest development fund		800,000
Forest recreation fund.....		100,000
State general fund/general purpose	\$	0

(2) WILDLIFE AREAS

Statewide deer range habitat acquisition.....		3,500,000
Statewide turkey habitat acquisition		<u>2,000,000</u>
GROSS APPROPRIATION.....	\$	5,500,000

Appropriated from:

Federal revenues:

DOI, Pittman-Robertson.....		1,000,000
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Special revenue funds:

Game and fish protection - deer range improvement fund		3,500,000
Game and fish protection - turkey fund.....		1,000,000
State general fund/general purpose	\$	0

(3) WATERWAYS BOATING PROGRAM

Infrastructure improvements - state projects	\$	2,500,000
Infrastructure improvements - local projects		1,500,000
Land acquisitions.....		1,000,000

Boating program, state boating access sites:

1	Crystal Lake, Benzie County, new site construction,	
2	phase III (total authorized cost \$1,400,000; state	
3	share \$1,400,000)	600,000
4	Hamlin Lake, Ludington state park, dam repairs (total	
5	authorized cost \$1,555,000; state share \$355,000;	
6	federal share \$1,200,000)	1,555,000
7	Boating program, state harbors and docks:	
8	Cheboygan, Cheboygan County, lock and dam repairs and	
9	harbor improvements (total authorized cost \$2,500,000;	
10	state share \$625,000; federal share \$1,875,000).....	2,500,000
11	Mackinaw City, Cheboygan County, new marina, phase II	
12	(total authorized cost \$9,600,000; state	
13	share \$9,600,000)	6,000,000
14	DeTour, Chippewa County, floating dock repair and	
15	replacement (total authorized cost \$575,000; state	
16	share \$575,000)	575,000
17	Boating program, local harbors and docks:	
18	Arcadia, Manistee County, marina rehabilitation	
19	(total authorized cost \$1,000,000; state share	
20	\$500,000; local share \$500,000).....	500,000
21	Charlevoix, Charlevoix County, marina expansion and	
22	upgrades (total authorized cost \$6,500,000; state	
23	share \$4,875,000; local share \$1,625,000).....	3,875,000
24	Grand Haven, Ottawa County, dock replacement (total	
25	authorized cost \$1,000,000; state share \$500,000;	
26	local share \$500,000)	500,000
27	Leland, Leelanau County, marina rehabilitation and	

1	upgrades (total authorized cost \$3,500,000; state	
2	share \$1,750,000; local share \$1,750,000).....	<u>1,750,000</u>
3	GROSS APPROPRIATION.....	\$ 22,855,000
4	Appropriated from:	
5	Federal revenues:	
6	DOI, Dingell-Johnson.....	\$ 3,075,000
7	Special revenue funds:	
8	State waterways fund.....	19,780,000
9	State general fund/general purpose.....	\$ 0
10	Sec. 105. STATE AGENCY SPECIAL MAINTENANCE	
11	Major special maintenance, remodeling and addition	
12	for state agencies	\$ <u>4,000,000</u>
13	GROSS APPROPRIATION.....	\$ 4,000,000
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	IDG, building occupancy charges.....	2,000,000
17	Special revenue funds:	
18	State general fund/general purpose	\$ 2,000,000
19	Sec. 106. DEPARTMENT OF TRANSPORTATION	
20	(1) BUILDINGS AND FACILITIES	
21	Major special maintenance, remodeling and additions -	
22	various state locations	\$ 2,514,000
23	Salt storage buildings and containment control	
24	systems - contract agencies	2,000,000
25	Salt storage buildings and containment control	
26	systems - various state locations.....	1,100,000
27	Taylor, Wayne County, transportation service center,	

1	for design and construction (total authorized cost		
2	(\$1,800,000); state share \$1,800,000).....		600,000
3	Construct/replace equipment storage buildings - various		
4	state locations		500,000
5	Construct maintenance garage washbays - various state		
6	locations		250,000
7	Institutional and agency roads.....		<u>750,000</u>
8	GROSS APPROPRIATION.....	\$	7,714,000
9	Appropriated from:		
10	Special revenue funds:		
11	State trunkline fund		7,714,000
12	State general fund/general purpose	\$	0
13	(2) AIRPORT IMPROVEMENT PROGRAMS		
14	Airport safety and protection plan.....	\$	<u>163,193,300</u>
15	GROSS APPROPRIATION.....	\$	163,193,300
16	Appropriated from:		
17	Federal revenues:		
18	DOT, federal aviation administration		125,000,000
19	Special revenue funds:		
20	Local aeronautics match.....		20,000,000
21	Combined comprehensive transportation bond proceeds		
22	fund - aeronautics		12,000,000
23	State aeronautics fund.....		6,193,300
24	State general fund/general purpose.....	\$	0
25	Sec. 107. STATE BUILDING AUTHORITY RENT		
26	State building authority rent - state agencies	\$	62,391,700
27	State building authority rent - department of		

1	corrections	72,891,900
2	State building authority rent - universities	123,376,200
3	State building authority rent - community colleges ...	<u>17,137,300</u>
4	GROSS APPROPRIATION.....	\$ 275,797,100
5	Appropriated from:	
6	Special revenue funds:	
7	State lottery funds	1,520,000
8	Roosevelt parking facility reimbursement	275,000
9	State general fund/general purpose	\$ 274,002,100
10	Sec. 108. STATE BUILDING AUTHORITY FINANCED	
11	CONSTRUCTION PROJECTS	
12	University and community college major and special	
13	maintenance projects (total authorized cost	
14	\$100,000,000; state building authority share	
15	\$99,999,900; state general fund share \$100;	
16	university share \$0; community college share \$0)....	\$ <u>100</u>
17	GROSS APPROPRIATION	\$ 100
18	Appropriated from:	
19	Special revenue funds:	
20	State general fund/general purpose	\$ 100

21 PART 2

22 PROVISIONS CONCERNING APPROPRIATIONS

23 GENERAL SECTIONS

24 Sec. 201. Pursuant to section 30 of article IX of the state
 25 constitution of 1963, total state spending from state resources

under part 1 for fiscal year 2005-2006 is \$335,084,500 and state spending from state resources paid to units of local government for fiscal year 2005-2006 is \$12,625,000. The itemized statement below identifies appropriations from which spending to units of local government will occur:

CAPITAL OUTLAY

Department of agriculture - farmland and open space development acquisition	\$	2,500,000
Department of natural resources - waterways boating program	\$	8,125,000
Department of transportation - buildings and facilities		<u>2,000,000</u>
TOTAL	\$	12,625,000

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

Sec. 203. As used in this bill:

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

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

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

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

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

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

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

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

1 (i) "Fiscal agencies" means the senate fiscal agency and the
2 house fiscal agency.

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

5 (k) "IDG" means interdepartmental grant.

6 (l) "JCOS" means the joint capital outlay subcommittee of the
7 appropriations committees.

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

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

12 (o) "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. 204. Funds appropriated in part 1 shall not be used for
16 the purchase of foreign goods or services, or both, if
17 competitively priced and of comparable quality American goods or
18 services, or both, are available. Preference should be given to
19 goods or services, or both, manufactured or provided by Michigan
20 businesses if they are competitively priced and of comparable
21 quality.

22 Sec. 205. Unless otherwise specified, the department shall use
23 the Internet to fulfill the reporting requirements of this bill.
24 This requirement may include transmission of reports via electronic
25 mail to the recipients identified for each reporting requirement,
26 or it may include placement of reports on an Internet or Intranet
27 site.

1 **DEPARTMENT OF AGRICULTURE**

2 Sec. 301. Of the amounts appropriated in part 1 for farmland and
3 open space development acquisition, the funds shall be used for the
4 purchase of development rights and the awarding of grants by the
5 agriculture preservation fund board under the natural resources and
6 environmental protection act, 1994 PA 451, MCL 324.101 to
7 324.90106.

8 **CAPITAL OUTLAY PROCESSES, PROCEDURES & REPORTS**

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

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

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

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

26 (b) The design and program scope of the project shall not
27 deviate from the design and program scope represented in the

1 program statement and preliminary planning documents approved by
2 the department.

3 (c) Any other items as identified by the department that are
4 necessary to complete the project.

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

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

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

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

18 (b) The balance remaining in each account.

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

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

22 (e) The appropriations history for the project.

23 (f) The professional service contractor.

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

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

27 (i) The total authorized cost for the project and the state

1 authorized share if different than the total.

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

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

7 (b) Whether a program statement is approved.

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

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

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

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

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

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

23 Sec. 406. A state agency, college, or university shall take
24 steps necessary to make available federal and other money indicated
25 in this bill, to make available federal or other money that may
26 become available for the purposes for which appropriations are made
27 in this bill, and to use any part or all of the appropriations to

1 meet matching requirements that are considered to be in the best
2 interest of this state. However, the purpose, scope, and total
3 estimated cost of a project shall not be altered to meet the
4 matching requirements.

5 Sec. 407. Pursuant to section 242(2) of the management and
6 budget act, 1984 PA 431, MCL 18.1242, the department shall submit
7 5-year capital outlay plans and capital outlay priority requests
8 developed by state agencies (and as approved by the department of
9 management and budget), universities, and community colleges to the
10 chairperson and ranking vice-chairperson of the JCOS and the fiscal
11 agencies upon the release of the executive budget recommendation.

12 **USE AND FINANCE STATEMENTS**

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

25 (2) A project that is constructed in violation of this section
26 shall not receive state appropriations for purposes of operating
27 the project, or support for future infrastructure enhancements that

1 are necessitated, in part or in total, by construction of the
2 project.

3 (3) A state agency, including the department of military
4 affairs, shall not let a contract, including those for a direct
5 federally-funded capital outlay construction or major maintenance
6 or remodeling project if the total project is estimated to cost
7 more than \$1,000,000.00 and is to be constructed on state-owned
8 lands, unless the project is approved by the department and by the
9 JCOS through approval of a use and financing statement defined by a
10 policy adopted by the JCOS. For projects over \$1,000,000.00, the
11 state agency shall submit a use and financing statement as required
12 for community colleges and universities in subsection (1). As used
13 in this subsection, "direct federally-funded" refers to a project
14 for which federal payments are made directly to the construction
15 vendor and not to the state of Michigan.

16 (4) A public body corporate created under section 28 of article
17 VII of the state constitution of 1963 and the urban cooperation act
18 of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by a
19 contractual interlocal agreement between local participating
20 economic development corporations formed under the economic
21 development corporations act, 1974 PA 338, MCL 125.1601 to
22 125.1636, and the Michigan strategic fund shall not let a contract
23 for new construction estimated to cost more than \$1,000,000.00
24 unless the project is authorized by the JCOS through the approval
25 of a use and financing statement defined by a policy adopted by the
26 JCOS. For purposes of this subsection, the use and financing
27 statement for a project shall contain the estimated total

1 construction cost and all associated estimated operating costs. As
2 used in this subsection, "new construction" means land or property
3 acquisition, remodeling or additions, lease or lease purchase, and
4 maintenance projects for the corporate office of the public body
5 corporate described in this subsection.

6 **LUMP SUMS AND SPECIAL MAINTENANCE**

7 Sec. 601. (1) The director shall allocate lump-sum
8 appropriations made in this bill for remodeling and addition,
9 special maintenance, major special maintenance, energy
10 conservation, demolition, ICF/MR, air-conditioning, and fire
11 protection projects. The director shall allocate other lump sums
12 in order of program priority and need of the various state agencies
13 or as otherwise based on actual building inspection reports by
14 regulatory agencies.

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

22 (3) Before the end of each fiscal year, the department shall
23 submit a report to the JCOS and the fiscal agencies indicating the
24 total cost and status of all lump-sum projects funded under this
25 bill and any previous act that have been designated as proposed,
26 designed, bid, under construction, or completed within the current
27 fiscal year.

1 Sec. 602. A state agency shall provide notification to JCOS
2 prior to commencing a demolition project not authorized in law.
3 The demolition project may be disapproved by the JCOS within 30
4 days after the date of notification and, if disapproved within that
5 time, the demolition project shall not be authorized. The
6 notification to JCOS shall identify the building or facility to be
7 demolished and its location, the estimated cost of the demolition
8 project, estimated project schedule, and the source of financing.

9 Sec. 603. Pursuant to department policy, state agencies may
10 expend not more than \$1,000,000 from their operating budget for
11 special maintenance, remodeling, additions, or other capital outlay
12 purposes, unless specifically authorized by the legislature.

13 **STATE BUILDING AUTHORITY**

14 Sec. 701. (1) Subject to section 242 of the management and
15 budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the
16 state building authority, the department may expend from the
17 general fund of the state during the fiscal year ending September
18 30, 2006 an amount to meet the cash flow requirements of those
19 state building authority projects solely for lease to a state
20 agency identified in both part 1 and this section, and for which
21 state building authority bonds or notes have not been issued, and
22 for the sole acquisition by the state building authority of
23 equipment and furnishings for lease to a state agency as permitted
24 by 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of
25 bonds or notes is authorized by a legislative concurrent resolution
26 that is effective for the fiscal year ending September 30, 2006.
27 Any general fund advances for which state building authority bonds

1 have not been issued shall bear an interest cost to the state
2 building authority at a rate not to exceed that earned by the state
3 treasurer's common cash fund during the period in which the
4 advances are outstanding and are repaid to the general fund of the
5 state.

6 (2) Upon sale of bonds or notes for the projects identified in
7 part 1 or for equipment as authorized by legislative concurrent
8 resolution and in this section, the state building authority shall
9 credit the general fund of the state an amount equal to that
10 expended from the general fund plus interest, if any, as defined in
11 this section.

12 (3) For state building authority projects for which bonds or
13 notes have been issued and upon the request of the state building
14 authority, the state treasurer shall make advances without interest
15 from the general fund as necessary to meet cash flow requirements
16 for the projects, which advances shall be reimbursed by the state
17 building authority when the investments earmarked for the financing
18 of the projects mature.

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

24 Sec. 702. (1) State building authority funding to finance
25 construction or renovation of a facility that collects revenue in
26 excess of money required for the operation of that facility shall
27 not be released to a university or community college unless the

1 institution agrees to reimburse that excess revenue to the state
2 building authority. The excess revenue shall be credited to the
3 general fund to offset rent obligations associated with the
4 retirement of bonds issued for that facility. The auditor general
5 shall annually identify and present an audit of those facilities
6 that are subject to this section. Costs associated with the
7 administration of the audit shall be charged against money
8 recovered pursuant to this section.

9 (2) As used in this section, "revenue" includes state
10 appropriations, facility opening money, other state aid, indirect
11 cost reimbursement, and other revenue generated by the activities
12 of the facility.

13 Sec. 703. (1) The state building authority rent appropriations
14 in part 1 may also be expended for the payment of required premiums
15 for insurance on facilities owned by the state building authority
16 or payment of costs that may be incurred as the result of any
17 deductible provisions in such insurance policies.

18 (2) If the amount appropriated in part 1 for state building
19 authority rent is not sufficient to pay the rent obligations and
20 insurance premiums and deductibles identified in subsection (1) for
21 state building authority projects, there is appropriated from the
22 general fund of the state the amount necessary to pay such
23 obligations.

24 Sec. 704. The department shall provide the JCOS and the fiscal
25 agencies a report relative to the status of construction projects
26 associated with state building authority bonds on September 30 of
27 each year, or not more than 30 days after a refinancing or

1 restructuring bond issue is sold. The report shall include, but is
2 not limited to, the following:

3 (a) A list of all completed construction projects for which
4 state building authority bonds have been sold, and which bonds are
5 currently active.

6 (b) A list of all projects under construction for which sale of
7 state building authority bonds are pending.

8 (c) A list of all projects authorized for construction or
9 identified in an appropriations act for which approval of
10 schematic/preliminary plans or total authorized cost is pending
11 that have state building authority bonds identified as a source of
12 financing.

13 COLLEGES AND UNIVERSITIES

14 Sec. 801. (1) This section applies only to projects for
15 community colleges.

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

27 (3) An expenditure under this bill is authorized when the

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

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

26 Sec. 802. If matching revenues are received in an amount less
27 than the appropriations contained in this bill, the state funds of

1 the appropriation shall be reduced in proportion to the amount of
2 matching revenue received.

3 Sec. 803. (1) The director may require that community colleges
4 and universities that have an authorized project listed in part 1
5 submit documentation regarding the project match and governing
6 board approval of the authorized project not more than 60 days
7 after the beginning of the fiscal year.

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

15 Sec. 804. (1) From the funds appropriated in part 1 for
16 university and community college major and special maintenance
17 projects, allocations shall be made to the following institutions
18 in the amount specified:

19	(a) Central Michigan university	\$	4,677,700
20	(b) Eastern Michigan university		4,524,600
21	(c) Ferris state university		2,866,500
22	(d) Grand valley state university		3,389,500
23	(e) Lake superior state university		742,900
24	(f) Michigan state university		16,830,200
25	(g) Michigan technological university		2,852,100
26	(h) Northern Michigan university		2,679,100
27	(i) Oakland university		2,816,000

1	(j) Saginaw valley state university	1,530,200
2	(k) University of Michigan - Ann Arbor	18,770,400
3	(l) University of Michigan - Dearborn.....	1,445,300
4	(m) University of Michigan - Flint	1,242,600
5	(n) Wayne state university	12,745,900
6	(o) Western Michigan university	6,488,600
7	(p) Alpena community college	284,800
8	(q) Bay de Noc community college	275,300
9	(r) Delta college	770,000
10	(s) Glen Oaks community college	129,200
11	(t) Gogebic community college	235,500
12	(u) Grand Rapids community college	968,500
13	(v) Henry Ford community college	1,180,300
14	(w) Jackson community college	653,300
15	(x) Kalamazoo valley community college	666,600
16	(y) Kellogg community college	523,700
17	(z) Kirtland community college	159,000
18	(aa) Lake Michigan college	281,900
19	(bb) Lansing community college	1,674,800
20	(cc) Macomb community college	1,787,000
21	(dd) Mid Michigan community college	238,400
22	(ee) Monroe county community college	231,900
23	(ff) Montcalm community college	167,800
24	(gg) C.S. Mott community college	846,700
25	(hh) Muskegon community college	481,900
26	(ii) North central Michigan college	163,200
27	(jj) Northwestern Michigan college	491,700

1	(kk) Oakland community college	1,127,200
2	(ll) St. Clair county community college	377,600
3	(mm) Schoolcraft college	661,600
4	(nn) Southwestern Michigan college	355,100
5	(oo) Washtenaw community college	672,400
6	(pp) Wayne county community college	869,200
7	(qq) West shore community college	123,800

8 (2) Institutions receiving an allocation in subsection (1) shall
9 expend state building authority funds for major and special
10 maintenance projects on existing academic buildings and facilities.
11 No state building authority funds shall be expended for self-
12 liquidating or self-supporting projects. Institutions shall submit
13 to the department required project plans for approval in a format
14 and within timeframes specified by the department. The state
15 building authority financed component of each approved university
16 project shall be at least \$100,000, and each approved community
17 college project shall be at least \$10,000, and shall extend the
18 useful life of the building or facility. All projects expending
19 state building authority funds shall be performed under contract,
20 and shall be for projects commencing on or after October 1, 2005.
21 All state building authority related expenditures for approved
22 projects must be completed by December 31, 2007, to be authorized
23 for reimbursement. Institutions shall receive reimbursement when
24 expenditures for 1 or more projects are documented in total for
25 their respective subsection (1) allocation. The appropriations
26 authorized under this bill are subject to the management and budget
27 act, 1984 PA 431, MCL 18.1101 to 18.1594, and all applicable laws

1 and requirements of the state building authority.

2 **DEPARTMENT OF MANAGEMENT AND BUDGET**

3 Sec. 901. (1) The department shall provide the JCOS, the fiscal
4 agencies, and state budget director a report of privately owned
5 leased space by state agencies, by September 30 of each year,
6 consisting of the following:

7 (a) Department.

8 (b) Agency division and leased number.

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

10 (d) Type of building.

11 (e) County.

12 (f) Name and address of lessor.

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

14 (h) Monthly and annual cost PER LEASE.

15 (i) Date lease started and expires.

16 (j) Options and services.

17 (k) Total monthly and annual cost for all leases.

18 (2) The lease report shall be summarized for office space, group
19 homes, and other space for the Lansing area and statewide,
20 excepting the Lansing area.

21 **DEPARTMENT OF NATURAL RESOURCES**

22 Sec. 1001. The appropriation made in this bill for the harbors
23 and docks program is for the purpose of participating with the
24 federal government and assisting political entities and
25 subdivisions of this state in the construction and improvement of
26 recreational boating facilities within this state. Subject to the
27 approval of the board, this money shall be allocated by the

1 department of natural resources to the federal government, or to
2 the political entities or local units of government involved in the
3 particular projects. An allocation shall not exceed the state
4 portion as listed with each project description. The department of
5 natural resources shall take the steps necessary to match federal
6 money available for the construction and improvement of
7 recreational boating facilities within this state, and to meet
8 requirements of the federal government.

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

- 16 (a) Waterways projects.
- 17 (b) Urban recreation projects.
- 18 (c) State park projects.
- 19 (d) Wildlife and fisheries projects.
- 20 (e) Other projects.

21 Sec. 1003. The department of natural resources shall transfer
22 all revenues and unreserved receipts in the harbor development fund
23 to the state waterways fund for the purposes appropriated in part 1
24 of this bill.

25 **STATE TRANSPORTATION DEPARTMENT**

26 Sec. 1101. (1) From federal-state-local project appropriations
27 contained in part 1 for the purpose of assisting political entities

1 and subdivisions of this state in the construction and improvement
2 of publicly used airports and landing fields within this state, the
3 state transportation department may permit the award of contracts
4 on behalf of units of local government for the authorized locations
5 not to exceed the indicated amounts, of which the state allocated
6 portion shall not exceed the amount appropriated in part 1.

7 (2) Political entities and subdivisions shall provide not less
8 than 2.5% of the cost of any project under this section. State
9 money shall not be allocated until local money is allocated. State
10 money for any 1 project shall not exceed 1/3 of the total
11 appropriation in part 1 from state funds for airport improvement
12 programs.

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

24 Sec. 1102. Before the end of each fiscal year, the state
25 transportation department shall report to the JCOS the status of
26 projects funded in part 1 with the estimated dollars allocated for
27 each project. If there has to be a delay in reporting, the state

1 transportation department shall notify JCOS in writing of the date
2 the report will be received.

3 Sec. 1103. (1) A planning project or construction project
4 appropriated for the airport program shall be made available for no
5 more than 3 fiscal years following the fiscal year in which the
6 original appropriation was made.

7 (2) Any remaining balance from allocations made in this section
8 shall lapse to the fund from which it was appropriated pursuant to
9 the lapsing of funds as provided in the management and budget act,
10 1984 PA 431, MCL 18.1101 to 18.1594.

11 **MISCELLANEOUS**

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

1 owned sites declared as surplus property pursuant to section 251 of
2 the management and budget act, 1984 PA 431, MCL 18.1251, that would
3 provide economic benefit to the area or to the state. The Michigan
4 economic development corporation board and the state budget
5 director shall determine whether or not a specific state-owned site
6 qualifies for 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
10 otherwise provided by law. The economic development sites
11 authorized in subsection (1) are hereby authorized for sale
12 consistent with state law. Expenditures from the fund are hereby
13 authorized for site preparation activities that enhance the
14 marketable sale value of the sites. Site preparation activities
15 include, but are not limited to, demolition, environmental studies
16 and abatement, utility enhancement, 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
21 house of representatives appropriations committees not later than
22 December 31 of each year. This report shall detail both of the
23 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 AND VETERANS AFFAIRS**

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