

# SENATE BILL No. 265

March 2, 2005, Introduced by Senators PRUSI and EMERSON and referred to the Committee on Appropriations.

## EXECUTIVE BUDGET BILL

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	<b>Sec. 102. DEPARTMENT OF AGRICULTURE</b>	
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	<b>Sec. 103. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS</b>	
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
------------------------------	--	-----------

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	<b>Sec. 105. STATE AGENCY SPECIAL MAINTENANCE</b>	
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	<b>Sec. 106. DEPARTMENT OF TRANSPORTATION</b>	
20	<b>(1) BUILDINGS AND FACILITIES</b>	
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	<b>(2) AIRPORT IMPROVEMENT PROGRAMS</b>		
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	<b>Sec. 107. STATE BUILDING AUTHORITY RENT</b>		
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	<b>Sec. 108. STATE BUILDING AUTHORITY FINANCED</b>	
11	<b>CONSTRUCTION PROJECTS</b>	
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.