

FY 2022-23: CAPITAL OUTLAY
Summary: Conference Report
Article 14, House Bill 5783 (H-2) CR-1



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Budget Area	Gross	GF/GP
Capital Outlay – Construction Authorizations	\$487,400,000	\$109,000,000
TOTAL	\$487,400,000	\$109,000,000

Overview

House Bill 5783, Article 14 contains \$487.4 million Gross (\$109.0 million GF/GP) for 4 construction authorizations. Traditionally, universities finance 25% of a project’s costs and the state finances 75%. State agency projects are covered 100% from state resources. In recent years, the state share has been capped at \$30.0 million for university and community college capital outlay projects.

The total cost of the 4 construction authorizations (2 universities and 2 state agencies) contained within House Bill 5783, Article 14 is \$487.4 million, with a federal share of \$378.4, state share of \$109.0 million and an institution share of \$7.0 million. Unlike traditional capital outlay projects that are financed through the State Building Authority and require annual debt service payments, the cost of these projects is covered through one-time state and federal allocations.

FY 2021-22 Supplemental Appropriation Items **Appropriation Change**

CAPITAL OUTLAY – CONSTRUCTION AUTHORIZATIONS

<p>1. Michigan State University – Renovation and Addition of Greenhouses and Dairy Facilities</p> <p>Total project cost is \$53.0 million. University share is \$0; state share is \$53.0 million. The project would renovate and expand both the greenhouse complex and dairy facilities on campus.</p>	<p>Gross \$53,000,000 GF/GP \$53,000,000</p>
<p>2. Saginaw Valley State University – Brown Hall Renovation</p> <p>Total project cost is \$28.8 million. University share is \$7.0 million; state share is \$21.8 million. The project would renovate 64,000 sq. ft. of Brown Hall, constructed in 1986.</p>	<p>Gross \$21,800,000 GF/GP \$21,800,000</p>
<p>3. Michigan Veterans Affairs Agency – New Marquette Veterans Home</p> <p>The Michigan Veterans Affairs Agency – New Marquette Veterans Home has a total project cost of \$97.6 million. Federal share is \$63.4 million; state share is \$34.2 million. The project would construct a new home for veterans located in Marquette.</p>	<p>Gross \$97,600,000 Federal 63,400,000 GF/GP \$34,200,000</p>
<p>4. DTMB – New State Psychiatric Hospital Complex</p> <p>The DTMB – New State Psychiatric Hospital Complex has a total project cost of \$325.0 million. Federal share (coronavirus state fiscal recovery funds) is \$325.0 million; state share is \$0. The complex would be located in Southeast Michigan to replace the Hawthorn Center and Walter P. Reuther Psychiatric Hospital. The new hospital complex would have an estimated capacity of 260 total beds. (Note: \$10.0 million associated with planning for this project would be included in an FY 2021-22 supplemental.)</p>	<p>Gross \$315,000,000 Federal 315,000,000 GF/GP \$0</p>

FY 2021-22 Supplemental Boilerplate Items

GENERAL SECTIONS

1. Total State Spending

Specifies total state spending from state resources to be paid to local units of government.

2. Appropriations Subject to PA 431

Subjects appropriations to the Management and Budget Act, 1984 PA 431.

FY 2021-22 Supplemental Appropriation Items
Article 15, House Bill 5783 (H-2) CR-1

**Appropriation
Change**

CAPITAL OUTLAY – PLANNING AUTHORIZATIONS

1. DTMB – New State Psychiatric Hospital Complex

The DTMB – New State Psychiatric Hospital Complex has a total project cost of \$325.0 million, a total federal share (Coronavirus State Fiscal Recovery Funds) of \$325.0 million, and a total state share of \$0. The complex would be located in Southeast Michigan and would replace the Hawthorn Center and Walter P. Reuther Psychiatric Hospital. The new hospital complex would have an estimated capacity of 260 total beds. (Note: \$315.0 million of project total would be appropriated in FY 2022-23.)

Gross	\$10,000,000
Federal	10,000,000
GF/GP	\$0

CAPITAL OUTLAY – CONSTRUCTION AUTHORIZATIONS

2. DTMB – New Comprehensive State Public Health and Environmental Science Laboratory

The DTMB – New Comprehensive State Public Health and Environmental Science Laboratory has a total project cost of \$260.0 million, a federal share (Coronavirus State Fiscal Recovery Funds) of \$260.0 million, and a total state share of \$0. The project would build a new state public health and environmental science laboratory. (Note: \$10.0 million of project total was appropriated in 2022 PA 9.)

Gross	\$250,000,000
Federal	250,000,000
GF/GP	\$0

FY 2019-20 Supplemental Boilerplate Items
Article 15, House Bill 5783 (H-2) CR-1

Sec. 301. New State Psychiatric Hospital Complex

Requires DTMB to use funding for program and planning of a new complex of inpatient psychiatric facilities, a standalone facility for children and adolescents, and another standalone facility for adults; requires program and schematic documents; requires progress report every 6 months.