# SUBSTITUTE FOR SENATE BILL NO. 92

A bill to make appropriations for the state transportation department for the fiscal year ending September 30, 2022; and to provide for the expenditure of the appropriations.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1	
LINE-ITEM APPROPRIATIONS	
Sec. 101. There is appropriated for the state transportation	
department for the fiscal year ending September 30, 2022, from the	
following funds:	
DEPARTMENT OF TRANSPORTATION	-
APPROPRIATION SUMMARY	
Full-time equated unclassified positions 6.0	-





1	Full-time equated classified positions	2,693.7	
2	GROSS APPROPRIATION		\$ 5,231,001,000
3	IDG for accounting service center user charges		4,044,800
4	Total interdepartmental grants and		
5	intradepartmental transfers		4,044,800
6	ADJUSTED GROSS APPROPRIATIONS		\$ 5,226,956,200
7	Federal revenues:		
8	Federal aid - Federal Railroad Administration		20,000,000
9	Federal aid - Federal Transit Administration		4,500,000
10	Federal aid - transportation programs		1,424,019,000
11	Total federal revenues		1,448,519,000
12	Special revenue funds:		
13	Local funds		80,782,000
14	Total local revenues		80,782,000
15	Private funds		900,000
16	Total private revenues		900,000
17	Blue Water Bridge fund		17,660,900
18	Comprehensive transportation fund		357,111,900
19	Economic development fund		53,528,000
20	Intercity bus equipment fund		600,000
21	Local bridge fund		30,143,000
22	Michigan transportation fund		1,926,979,800
23	Qualified airport fund		5,200,000
24	Rail freight fund		6,000,000
25	State aeronautics		7,127,700
26	State aeronautics fund		8,103,600
27	State trunkline fund		1,284,300,300
28	Total other state restricted revenues		3,696,755,200



State general fund/general purpose	\$
Sec. 102. DEBT SERVICE	
State trunkline	\$ 218,679,30
Economic development	11,485,60
Local bridge fund	2,330,40
Blue Water Bridge fund	6,809,80
Airport safety and protection plan	3,438,70
Comprehensive transportation	10,899,80
GROSS APPROPRIATION	\$ 253,643,60
Appropriated from:	
Federal aid - transportation programs	50,582,10
Total federal revenues	50,582,10
Blue Water Bridge fund	6,809,80
Comprehensive transportation fund	10,899,80
Economic development fund	11,485,60
Local bridge fund	2,330,40
State aeronautics fund	3,438,70
State trunkline fund	168,097,20
Total other state restricted revenues	203,061,50
State general fund/general purpose	\$
Sec. 103. INTERDEPARTMENTAL GRANTS	
CTF grant to civil service commission	\$ 250,00
CTF grant to department of attorney general	107,60
CTF grant to department of technology,	
management, and budget	34,50
CTF grant to department of treasury	46,90
CTF grant to legislative auditor general	43,20



1	MTF grant to department of environment, Great		
2	Lakes, and energy	1,491	,400
3	MTF grant to department of state for collection		
4	of revenue and fees	20,000	,000
5	MTF grant to department of treasury	3,011	,900
6	MTF grant to legislative auditor general	350	,200
7	SAF grant to civil service commission	150	,000
8	SAF grant to department of attorney general	188	,200
9	SAF grant to department of technology,		
10	management, and budget	28	,000
11	SAF grant to department of treasury	84	,100
12	SAF grant to legislative auditor general	33	,800
13	STF grant to civil service commission	6,321	,000
14	STF grant to department of attorney general	2,123	,200
15	STF grant to department of state police	12,154	,500
16	STF grant to department of technology,		
17	management, and budget	1,177	,900
18	STF grant to department of treasury	148	,800
19	STF grant to legislative auditor general	813	,500
20	GROSS APPROPRIATION	\$ 48,558	,700
21	Appropriated from:		
22	Comprehensive transportation fund	482	,200
23	Michigan transportation fund	24,853	,500
24	State aeronautics fund	484	,100
25	State trunkline fund	22,738	,900
26	Total other state restricted revenues	48,558	700
27	State general fund/general purpose	\$	0



Full-time equated unclassified positions	6.0	
Full-time equated classified positions	246.3	
Unclassified salariesFTE positions	6.0 \$	828,600
Asset management council		1,876,400
Business support servicesFTEs	41.0	6,727,800
Commission auditFTEs	29.3	3,553,000
Economic development and enhancement programs		
FTEs	10.0	1,723,300
Finance, contracts, and support servicesFTEs	166.0	22,352,900
Property management		6,957,40
Worker's compensation		1,721,80
GROSS APPROPRIATION	\$	45,741,20
Appropriated from:		
IDG for accounting service center user charges		4,044,80
Total interdepartmental grants and		
intradepartmental transfers		4,044,80
Comprehensive transportation fund		1,630,20
Economic development fund		402,10
Michigan transportation fund		4,386,90
State aeronautics fund		756,10
State trunkline fund		34,521,10
Total other state restricted revenues		41,696,40
State general fund/general purpose	\$	
Sec. 105. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	39,512,40
GROSS APPROPRIATION	\$	39,512,400



Appropriated from:		
Federal aid - transportation programs		520,500
Total federal revenues		520,500
Blue Water Bridge fund		56,900
Comprehensive transportation fund		231,700
Economic development fund		38,400
Michigan transportation fund		302,800
State aeronautics fund		180,700
State trunkline fund		38,181,400
Total other state restricted revenues		38,991,900
State general fund/general purpose	\$	(
Sec. 106. TRANSPORTATION PLANNING		
Full-time equated classified positions	136.0	
Planning servicesFTEs	136.0 \$	41,656,400
Grants to regional planning councils		488,800
GROSS APPROPRIATION	\$	42,145,200
Appropriated from:		
Federal aid - transportation programs		24,000,000
Total federal revenues		24,000,000
Comprehensive transportation fund		622,000
Michigan transportation fund		9,816,40
State aeronautics fund		15,70
State trunkline fund		7,691,100
Total other state restricted revenues		18,145,200
State general fund/general purpose	\$	(
Sec. 107. DESIGN AND ENGINEERING SERVICES		
Full-time equated classified positions	1,401.3	
Program development and deliveryFTEs	952.3 \$	96,634,600



System operations managementFTEs	307.0	56,892,400
Business servicesFTEs	142.0	23,551,900
GROSS APPROPRIATION		\$ 177,078,900
Appropriated from:		
Federal aid - transportation programs		23,529,800
Total federal revenues		23,529,800
Comprehensive transportation fund		187,100
Michigan transportation fund		15,621,100
State aeronautics fund		160,300
State trunkline fund		137,580,600
Total other state restricted revenues		153,549,100
State general fund/general purpose		\$ (
Sec. 108. HIGHWAY MAINTENANCE		
Full-time equated classified positions	753.1	
State trunkline operationsFTEs	753.1	\$ 419,481,200
GROSS APPROPRIATION		\$ 419,481,200
Appropriated from:		
State trunkline fund		419,481,200
Total other state restricted revenues		419,481,200
State general fund/general purpose		\$ C
Sec. 109. ROAD AND BRIDGE PROGRAMS		
Cities and villages		\$ 652,686,200
County road commissioners		1,170,643,500
Grants to local programs		33,000,000
Grants to local programs  Local agency wetland mitigation bank fund		
		2,000,000
Local agency wetland mitigation bank fund		2,000,000 27,812,600



Movable bridge fund		5,553,000
Rail grade crossing		3,000,000
Rail grade crossing-surface improvements		3,000,000
State trunkline federal aid and road and bridge		
construction		1,335,069,800
GROSS APPROPRIATION		\$ 3,523,352,900
Appropriated from:		
Federal aid - transportation programs		1,141,836,600
Total federal revenues		1,141,836,600
Local funds		30,003,500
Total local revenues		30,003,500
Blue Water Bridge fund		4,079,500
Local bridge fund		27,812,600
Michigan transportation fund		1,869,882,700
State trunkline fund		449,738,000
Total other state restricted revenues		2,348,612,800
State general fund/general purpose		\$ C
Sec. 111. BLUE WATER BRIDGE		
Full-time equated classified positions	40.0	
Blue Water Bridge operationsFTEs	40.0	\$ 6,714,700
GROSS APPROPRIATION		\$ 6,714,700
Appropriated from:		
Blue Water Bridge fund		6,714,700
Total other state restricted revenues		6,714,700
State general fund/general purpose		\$ C
Sec. 112. TRANSPORTATION ECONOMIC DEVELOPMENT		
Community service infrastructure fund		\$ 3,000,000
Forest roads		5,000,000



Rural county primary		7,650,50
Rural county urban system		2,500,00
Targeted industries/economic development		15,800,90
Urban county congestion		7,650,50
GROSS APPROPRIATION		\$ 41,601,90
Appropriated from:		
Economic development fund		41,601,90
Total other state restricted revenues		41,601,90
State general fund/general purpose		\$
Sec. 113. AERONAUTICS SERVICES		
Full-time equated classified positions	44.0	
Air fleet operations and maintenanceFTEs	7.0	\$ 1,774,50
Air service program		50,00
Aviation servicesFTEs	37.0	5,303,20
GROSS APPROPRIATION		\$ 7,127,70
Appropriated from:		
State aeronautics fund		7,127,70
Total other state restricted revenues		7,127,70
State general fund/general purpose		\$
Sec. 114. PUBLIC TRANSPORTATION SERVICES		
Full-time equated classified positions	36.0	
Passenger transportation servicesFTEs	36.0	\$ 6,040,20
GROSS APPROPRIATION		\$ 6,040,20
Appropriated from:		
Federal aid - transportation programs		972,10
Total federal revenues		972,10
Comprehensive transportation fund		5,068,10



State general fund/general purpose	\$	(
Sec. 115. LOCAL BUS TRANSIT		
Local bus operating	\$	196,750,000
Nonurban operation/capital		30,027,900
GROSS APPROPRIATION	\$	226,777,900
Appropriated from:		
Federal aid - transportation programs		28,027,90
Total federal revenues		28,027,90
Local funds		2,000,00
Total local revenues		2,000,00
Comprehensive transportation fund		196,750,00
Total other state restricted revenues		196,750,00
State general fund/general purpose	\$	
Sec. 116. INTERCITY PASSENGER		
Full-time equated classified positions	37.0	
Detroit/Wayne County Port Authority	\$	500,00
Freight property management		1,000,00
Intercity services		8,060,00
Marine passenger service		1,012,00
Office of railFTEs	37.0	6,752,50
Rail operations and infrastructure		98,738,00
GROSS APPROPRIATION	\$	116,062,50
Appropriated from:		
Federal aid - Federal Railroad Administration		20,000,00
Federal aid - Federal Transit Administration		4,500,00
Total federal revenues		24,500,00
Local funds		760,00
Total local revenues		760,00



Private funds	900,00
Total private revenues	900,00
Comprehensive transportation fund	80,416,80
Intercity bus equipment fund	600,00
Michigan transportation fund	2,116,40
Rail freight fund	6,000,00
State trunkline fund	769,30
Total other state restricted revenues	89,902,50
State general fund/general purpose	\$
ec. 117. PUBLIC TRANSPORTATION DEVELOPMENT	
Municipal credit program	\$ 2,000,00
Service initiatives	11,304,40
Specialized services	18,438,90
Transit capital - urban	52,820,70
Transit capital - nonurban	56,250,00
Transportation to work	3,875,00
Van pooling	195,00
GROSS APPROPRIATION	\$ 144,884,00
Appropriated from:	
Federal aid - transportation programs	48,550,00
Total federal revenues	48,550,00
Local funds	35,510,00
Total local revenues	35,510,00
Comprehensive transportation fund	60,824,00
Total other state restricted revenues	60,824,00
State general fund/general purpose	\$



Salt storage buildings and containment control	\$ 2,500,000
Special maintenance, remodeling, and additions	3,001,500
GROSS APPROPRIATION	\$ 5,501,500
Appropriated from:	
State trunkline fund	5,501,500
Total other state restricted revenues	5,501,50
State general fund/general purpose	\$ (
2) AIRPORT IMPROVEMENT PROGRAMS	
Airport safety, protection and improvement	
program	\$ 121,576,50
Detroit Metropolitan Wayne County Airport	5,200,00
GROSS APPROPRIATION	\$ 126,776,50
Appropriated from:	
Federal aid - transportation programs	106,000,00
Total federal revenues	106,000,00
Local funds	12,508,50
Total local revenues	12,508,50
Qualified airport fund	5,200,00
State aeronautics fund	3,068,00
Total other state restricted revenues	8,268,00
State general fund/general purpose	\$
ec. 119. ONE-TIME BASIS ONLY	
GROSS APPROPRIATION	\$
Appropriated from:	
State general fund/general purpose	\$

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**27** PART 2

28 PROVISIONS CONCERNING APPROPRIATIONS

**29** FOR FISCAL YEAR 2021-2022



## GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2021-2022 is \$3,696,755,200.00 and state spending from state sources to be paid to local units of government for fiscal year 2021-2022 is \$2,196,214,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

10	STATE TRANSPORTATION DEPARTMENT		
11	Grants to regional planning councils	\$	488,800
12	Cities and villages	652,686,200	
13	County road commissions	1,170,643,500	
14	Grants to local programs	33,000,000	
15	Local bridge program	27,812,600	
16	Local agency wetland mitigation	2,000,000	
17	Movable bridge		2,776,500
18	Rail grade crossing	1,500,000	
19	Rail grade surface crossing improvements	3,000,000	
20	Transportation economic development	35,597,600	
21	Air service program	50,000	
22	Local bus operating		96,750,000
23	Detroit/Wayne County Port Authority		500,000
24	Marine passenger service		512,000
25	Municipal credit program		2,000,000
26	Service initiatives		9,329,400
27	Specialized services	4,353,900	
28	Transit capital		41,070,700



1	Transportation to work 3,875,000		
2	Airport safety, protection, and improvement		
3	program 3,0		
4	Detroit Metropolitan Wayne County Airport 5,200,000		
5	Total payments to local units of government \$ 2,196,214,200		
6	Sec. 202. The appropriations authorized under this part and		
7	part 1 are subject to the management and budget act, 1984 PA 431,		
8	MCL 18.1101 to 18.1594.		
9	Sec. 203. As used in this part and part 1:		
10	(a) "CTF" means comprehensive transportation fund.		
11	(b) "Department" means the state transportation department.		
12	(c) "Director" means the director of the department.		
13	(d) "DOT" means the United States Department of		
14	Transportation.		
15	(e) "DOT-FHWA" means DOT, Federal Highway Administration.		
16	(f) "FTE" means full-time equated.		
17	(g) "IDG" means interdepartmental grant.		
18	(h) "MTF" means Michigan transportation fund.		
19	(i) "SAF" means state aeronautics fund.		
20	(j) "STF" means state trunkline fund.		
21	Sec. 204. The departments and agencies receiving		
22	appropriations in part 1 shall use the internet to fulfill the		
23	reporting requirements of this part. This requirement shall include		
24	transmission of reports via electronic mail to the recipients		
25	identified for each reporting requirement, and it shall include		
26	placement of reports on an internet site.		
27	Sec. 205. Funds appropriated in part 1 shall not be used for		
28	the purchase of foreign goods or services, or both, if		
29	competitively priced and of comparable quality American goods or		

services, or both, are available. Preference shall be given to 1 goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable 3 quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan 6 businesses owned and operated by veterans, if they are 7 competitively priced and of comparable quality.

Sec. 206. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

- (a) The dates of each travel occurrence.
- (b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

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Sec. 208. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

Sec. 209. Not later than December 31, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house of representatives standing committees on appropriations and the senate and house fiscal agencies.

Sec. 211. From the funds appropriated in part 1, the department shall provide the department of technology, management, and budget information sufficient to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following:

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by jobclassification.
  - (e) Job specifications and wage rates.
- 29 Sec. 212. Within 14 days after the release of the executive

budget recommendation, the department shall provide to the state budget office information sufficient to provide the senate and house appropriations chairs, the chairpersons of the senate and house appropriations subcommittees on transportation, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2021 and September 30, 2022.

Sec. 213. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2022 are \$66,849,900.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$37,452,900.00. Total agency appropriations for retiree health care legacy costs are estimated at \$29,397,000.00.

Sec. 215. A department shall not take disciplinary action against an employee of the department or departmental agency in the state classified civil service because the employee communicates with a member of the senate or house of representatives or a member's staff, unless the communication is prohibited by law and the department or agency taking disciplinary action is exercising its authority as provided by law.

Sec. 216. (1) On a quarterly basis, the department shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies the following

information:

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- (a) The number of FTEs in pay status by type of staff and civil service classification.
- (b) A comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.
- (2) By April 1 of the current fiscal year and semiannually thereafter, the department shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies the following information:
- (a) Number of employees that were engaged in remote work in2021.
- 14 (b) Number of employees authorized to work remotely and the15 actual number of those working remotely in the current reporting16 period.
  - (c) Estimated net cost savings achieved by remote work.
  - (d) Reduced use of office space associated with remote work.
  - Sec. 217. Appropriations in part 1 shall, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.
  - Sec. 218. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, intertransfer funds within this article for the particular department, board, commission, officer, or institution.
- Sec. 219. The departments and agencies receiving

appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 220. The department shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, the senate and house subcommittees on transportation, the joint committee on administrative rules, and the senate and house fiscal agencies.

Sec. 221. To the extent possible, the department shall provide notice to the speaker of the house, the house minority leader, the senate majority leader, the senate minority leader, the house and senate standing committees on transportation, the appropriate house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on proposed federal rule changes related to the department that would require amendments to the laws of this state. The notice shall be given within 30 business days of the proposed federal rule being posted to the Federal Register and shall include a description of the proposed federal rule, the publication date, the date when public comment closes, the document citation, and a description of the statutory changes needed when the rule is finalized.

Sec. 270. In order to reduce costs and maintain quality, it is the intent of the legislature that, excluding the fleet of motor vehicles for the department of state police, the department will prioritize the utilization of remanufactured parts as the primary means of maintenance and repair for the state of Michigan's fleet

of motor vehicles.

## DEPARTMENT ADMINISTRATION AND SUPPORT

Sec. 301. (1) The department may establish a fee schedule and collect fees sufficient to cover the costs to issue the permits that the department is authorized by law to issue upon request, unless otherwise stipulated by law. All permit fees are nonrefundable application fees and shall be credited to the appropriate fund to recover the direct and indirect costs of receiving, reviewing, and processing the requests.

(2) A bridge authority shall hold 3 public hearings on an increase in any toll charged by the authority at least 30 days before the toll change will become effective. Two of the hearings shall be held within 10 miles of the bridge over which the bridge authority has jurisdiction. One hearing shall be held in Lansing. Public hearings held under this section shall be conducted in accordance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and shall be conducted so as to provide a reasonable opportunity for public comment, including both spoken and written comments. Public hearings under this section shall make reasonable accommodations to allow for participation by the public through electronic formats, including the opportunity to view the public hearing through internet broadcast and to submit comments by digital means.

Sec. 302. (1) Total authorized annual state trunkline fund debt service limits identified in section 18b of 1951 PA 51, MCL 247.668b, from constitutionally restricted revenue sources identified in section 9 of article IX of the state constitution of 1963 are as follows:

- (a) At 25% of the constitutionally restricted revenue sources set aside for the state trunkline fund, the debt service limit for the fiscal year ending September 30, 2022 for the state trunkline fund is \$242,180,850.00.
- (b) At 50% of the constitutionally restricted revenue sources set aside for the state trunkline fund, the debt service limit for the fiscal year ending September 30, 2022 for the state trunkline fund is \$484,361,700.00.
- (2) The department shall report no later than February 1, 2022 on the state trunkline fund debt service limit. The report must include an accounting of the previous fiscal year's trunkline fund debt service limit, the total amount of debt service paid for that fiscal year, and the remaining portion of the debt service cap that was not applied. The report must include a projection for the fiscal year ending September 30, 2022 that also includes the fiscal year debt service limit, the total amount of debt service planned for the fiscal year ending September 30, 2022, and the remaining portion of the debt service cap that could be applied. The report must include all planned bonding for the fiscal year ending September 30, 2022.

Sec. 303. From the funds appropriated in part 1 for highway maintenance, the department shall initiate a winter maintenance program in accordance with section 11a of 1951 PA 51, MCL 247.661a.

Sec. 304. If, as a requirement of bidding on a highway project, the department requires a contractor to submit financial or proprietary documentation as to how the bid was calculated, that bid documentation shall be kept confidential and shall not be disclosed other than to a department representative without the contractor's written consent. The department may disclose the bid

documentation if necessary to address or defend a claim by a contractor.

Sec. 305. (1) The department may permit space on public passenger transportation properties to be occupied by public or private tenants on a competitive market rate basis. The department shall require that revenue from the tenants be placed in an account to be used to pay the costs to maintain and improve the property.

- (2) The department shall charge all public transit agencies and all intercity bus carriers equal rates per square foot, at fair market rates, for leasing space in state-owned intermodal facilities.
- Sec. 306. (1) The amounts appropriated in part 1 to support tax and fee collection, law enforcement, and other program services provided to the department and to transportation funds by other state departments shall be expended from transportation funds pursuant to annual contracts between the department and those other state departments. The contracts shall be executed prior to the expenditure or obligation of those funds. The contracts shall provide, but are not limited to, the following data applicable to each state department:
  - (a) Estimated costs to be recovered from transportation funds.
- (b) Description of services provided to the department and/or transportation funds and financed with transportation funds.
- (c) Detailed cost allocation methods appropriate to the type of services being provided and the activities financed with transportation funds.
- (2) Not later than 2 months after publication of the state of Michigan comprehensive annual financial report, each state department receiving funding pursuant to an interdepartment

contract with the department shall submit a written report to the department, the state budget director, the house and senate fiscal agencies, and the auditor general stating by spending authorization account the amount of estimated funds contracted with the department, the amount of funds expended, the amount of funds returned to the transportation funds, and any unreimbursed transportation-related costs incurred but not billed to transportation funds.

Sec. 307. Before March 1 of each year, the department will provide to the legislature, the state budget director, and the house and senate fiscal agencies its rolling 5-year plan listing by county or by county road commission all highway construction projects for the fiscal year and all expected projects for the ensuing fiscal years.

Sec. 310. The department shall provide in a timely manner copies of the agenda, approved minutes, and audio recording of monthly transportation commission meetings to the members of the house and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget director.

Sec. 313. (1) From funds appropriated in part 1, the department may increase a state infrastructure bank program and grant or loan funds in accordance with regulations of the state infrastructure bank program of the United States Department of Transportation. The state infrastructure bank is to be administered by the department for the purpose of providing a revolving, self-sustaining resource for financing transportation infrastructure projects.

(2) In addition to funds provided in subsection (1), money

received by the state as federal grants, repayment of state infrastructure bank loans, or other reimbursement or revenue received by the state as a result of projects funded by the program and interest earned on that money shall be deposited in the revolving state infrastructure bank fund and shall be available for transportation infrastructure projects. At the close of the fiscal year, any unencumbered funds remaining in the state infrastructure bank fund shall remain in the fund and be carried forward into the succeeding fiscal year. 

Sec. 319. The department shall post signs at each rest area to identify the agency or contractor responsible for maintenance of the rest area. The signs shall include a department telephone number and shall indicate that unsafe or unclean conditions at the rest area may be reported to that telephone number.

Sec. 353. The department shall review its contractor payment process and ensure that all prime contractors are paid promptly. The department shall ensure that prime contractors are in compliance with special provision 109.10 regarding the prompt payment of subcontractors.

Sec. 357. When presented with complete local federal aid project submittals, the department shall complete all necessary reviews and inspections required to let local federal aid projects within 120 days of receipt. The department shall implement a system for monitoring the local federal aid project review process.

Sec. 375. The department is prohibited from reimbursing contractors or consultants for costs associated with groundbreaking ceremonies, receptions, open houses, or press conferences related to transportation projects funded, in whole or in part, by revenue appropriated in part 1.

Sec. 376. The department shall not spend funds appropriated in part 1 for the purpose of examining the potential association between commercial signs, outdoor advertising signs, billboards, digital billboards, or commercial electronic variable message signs and motor vehicle activity or motor vehicle driver behavior.

Sec. 377. No funds from the appropriation in part 1 may be expended for any contractual service contract with a value in excess of \$100,000.00 with any vendor in which a former department director has direct input into the solicitation response or contract negotiation process, or will be compensated for any work performed on the contract within 24 months of that former director's last employment with the department. This section may be waived by resolution of the Michigan house of representatives and senate.

Sec. 382. In administering a contract with a county road commission, city, or village that allocates costs of construction or reconstruction of highways, roads, and streets as provided in section 18d of 1951 PA 51, MCL 247.668d, the department shall submit the final cost-sharing bill to the county road commission, city, or village not later than 2 years after the date of the final contract payment to the construction contractor.

Sec. 383. (1) The department shall prepare a report on use of department-owned aircraft during the fiscal year ending September 30, 2021. With respect to each department-owned aircraft, the report shall include all of the following:

- (a) Total hours of usage.
- (b) Description of specific flights including dates of travel, names of passengers including state agency, university, or local government affiliation, travel origin and destination, and total

estimated costs associated with the air travel.

- (2) The report shall be submitted to the senate and house appropriations subcommittees on transportation, state budget director, and the house and senate fiscal agencies no later than February 1, 2022.
- (3) The department shall maintain a system for recovering the cost of operating department-owned aircraft through charges to aircraft users.
- Sec. 384. (1) Except as otherwise provided in subsection (2), 10 the department shall not obligate the state to expend any state 11 transportation revenue for construction planning or construction of 12 the Gordie Howe International Crossing or a renamed successor. In addition, except as provided in subsection (2), the department 13 14 shall not commit the state to any new contract related to the 15 construction planning or construction of the Gordie Howe 16 International Crossing or a renamed successor that would obligate 17 the state to expend any state transportation revenue. An expenditure for staff resources used in connection with project 18 activities, which expenditure is subject to full and prompt 19 20 reimbursement from Canada, shall not be considered an expenditure 21 of state transportation revenue.
  - (2) If the legislature enacts specific enabling legislation for the construction of the Gordie Howe International Crossing or a renamed successor, subsection (1) does not apply once the enabling legislation goes into effect.
  - Sec. 385. (1) The department shall submit monthly reports to the state budget director, the speaker of the house of representatives, the house of representatives minority leader, the senate majority leader, the senate minority leader, the house and

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- senate appropriations subcommittees on transportation, and the
  house and senate fiscal agencies on all of the following:
  - (a) All expenditures made by the state related to the Gordie Howe Bridge.
    - (b) All reimbursements made by Canada under section 384(1) of this part to the state for expenditures for staff resources used in connection with project activities.
  - (c) All eminent domain and condemnation powers used, the related real estate involved in any governmental taking, the price paid for those properties, and the beneficiary's name or associated corporation.
- (2) The initial report required under subsection (1) shall be
  submitted on or before December 1, 2021. The initial report shall
  cover the fiscal year ending September 30, 2021.
- Sec. 386. On or before May 1 of each year, the department shall submit a report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on its toll credit program. The report shall include the following information:
- (a) The amount of toll credits earned and certified by theDOT-FHWA in the prior fiscal year.
- (b) The value of toll credits used by programs and projects inthe previous fiscal year.
  - (c) The balance of available toll credits at the end of the prior fiscal year.
- 26 (d) A discussion of the department's strategy for using toll27 credits.
- 28 Sec. 387. (1) Within 60 days of completion of any formal traffic study, formal traffic control study, or formal traffic

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mitigation study, the department shall post the results of the study on the department's website.

(2) As used in this section, the terms "traffic study", "traffic control study", and "traffic mitigation study" include, but are not limited to, investigations into the need for traffic lights, reviews of traffic speeds and related recommendations regarding speed limits, and ways to improve traffic flow during peak travel times.

Sec. 389. Within 30 days of entering into a long-term agreement with a private contractor, a public agency, or a partnership between 1 or more private contractors or public agencies, the department shall notify the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies of the agreement, including the subject of the agreement, the term of the agreement, and financial obligations under the agreement. As used in this section, "long-term agreement" means an agreement that obligates the department for a period of 5 years or more and that actually or contingently obligates the department to make payments over the contract period of \$5,000,000.00 or more.

Sec. 391. The department shall not use any funds from the appropriations in part 1 to perform, or to assist any other state department in performing, inspections or testing of motor fuel quality.

Sec. 394. The department and local road agencies shall make the preservation of their existing road networks a funding priority.

Sec. 398. The department shall continue to work to eliminate fatalities and serious injuries on Michigan's trunkline network and

shall maintain the Toward Zero Deaths statewide safety campaign.

The department shall prioritize additional median cable guardrail installation when appropriate to address trunkline locations with a history of correctable fatal and serious injury crashes.

Sec. 399. From the funds appropriated for state trunkline federal aid and road and bridge construction, not less than 10% shall be spent on capital preventative maintenance of state trunkline, as defined in section 10c of 1951 PA 51, MCL 247.660c.

## FEDERAL

Sec. 402. A portion of the federal DOT-FHWA highway research, planning, and construction funds made available to this state shall be allocated to transportation programs administered by local jurisdictions in accordance with section 100 of 1951 PA 51, MCL 247.6600. A local road agency, with respect to a project approved for federal aid funding in a state transportation improvement program, may enter into a voluntary buyout agreement with the department or with another local road agency to exchange the federal aid with state restricted transportation funds as agreed to by the respective parties. The state restricted transportation funds received in exchange for federal aid funds shall be used for the same purpose as the federal aid funds were originally intended.

## MICHIGAN TRANSPORTATION FUND

Sec. 501. The money received under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42, and not appropriated to the department of licensing and regulatory affairs or the department of state police is deposited in the Michigan transportation fund.

Sec. 503. (1) At the close of the fiscal year, funds



appropriated in part 1 for the transportation economic development program shall lapse to the transportation economic development fund.

- (2) At the close of the fiscal year, funds appropriated in part 1 for the local bridge program shall lapse to the local bridge fund.
- (3) Interest earned in the department of transportation economic development fund and local bridge fund shall remain in the respective funds and shall be allocated to the respective programs based on actual interest earned at the end of each fiscal year.
- (4) In addition to the funds appropriated in part 1, the department of transportation economic development fund and local bridge fund may receive federal, local, or private funds or restricted source funds such as interest earnings. These funds are appropriated for projects that are consistent with the purposes of the respective funds.
- (5) None of the funds statutorily dedicated to the transportation economic development fund and local bridge fund shall be diverted to other projects.

Sec. 504. Funds from the Michigan transportation fund shall be distributed to the comprehensive transportation fund, the economic development fund, the recreation improvement fund, and the state trunkline fund, in accordance with this part and part 1 and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may only be used as specified in this part and part 1, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

#### STATE TRUNKLINE FUND

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Sec. 601. (1) The department shall maintain documentation to support initial acceptance of warrantied projects, interim and final inspections, and notifications to contractors that the warranty period had expired. The department also shall review and evaluate consultant evaluation requirements or recommendations and update existing policies and procedures accordingly.

- (2) The department shall review its warranty administration processes, procedures, and associated manuals to ensure that all of the following occur:
- (a) Initial notifications of needed corrective action are sent prior to warranty expiration.
- (b) Consistent and timely second notifications of needed corrective action are sent if contractors do not respond within 30 days of an initial notification.
- 16 (c) The department has an effective process to establish time
  17 frames for corrective action completion.
  - (d) Daily inspector reports on all warranty segments are completed consistently.
- 20 (3) The department shall report on the review described in subsection (2) and changes resulting from the review. The department shall submit the report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies no later than March 31, 2022.
- Sec. 604. At the close of the fiscal year, any unencumbered and unexpended balance in the state trunkline fund shall remain in the state trunkline fund.
- Sec. 612. The department shall establish guidelines governing

incentives and disincentives provided under contracts for state trunkline projects. The guidelines shall include specific financial information concerning incentives and disincentives.

Sec. 660. (1) The legislature encourages the department to examine the use of alternative road surface materials and develop criteria and specifications for their use in both department-managed and contracted projects.

- (2) From funds appropriated in part 1, the department shall establish the Michigan state transportation innovation council to review innovative road materials and innovative road and bridge design and construction specifications. The Michigan state transportation innovation council shall include, but is not limited to, a representative of the DOT-FHWA, an appointee chosen by the speaker of the house of representatives, and an appointee chosen by the senate majority leader.
- (3) The department shall report on efforts taken to implement this section. The report shall include descriptions of specific field or laboratory tests. The department shall complete and submit the report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on or before March 1 of each year.

### TRANSIT AND RAIL RELATED FUNDS

Sec. 701. The department shall establish an intercity bus equipment and facility fund as a subsidiary fund within the comprehensive transportation fund created under section 10b of 1951 PA 51, MCL 247.660b. Proceeds received by this state from the sale of state-owned intercity bus equipment shall be credited to the intercity bus equipment and facility fund for the purchase and

repair of intercity bus equipment, as appropriated. Security deposits not returned to a lessee of state-owned intercity bus equipment under terms of the lease agreement shall be credited to the intercity bus equipment and facility fund for the repair of intercity bus equipment, as appropriated. Money received by the department from lease payments for state-owned intercity bus equipment, and facility maintenance charges under terms of leases of state-owned intercity facilities, shall be credited to the intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment or for the maintenance and rehabilitation of state-owned intercity facilities, as appropriated. At the close of the fiscal year, any funds remaining in the intercity bus equipment and facility fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 702. Money that is received by this state as repayment for loans made for rail or water freight capital projects, and as a result of the sale of property or equipment used or projected to be used for rail or water freight projects shall be deposited in the rail freight fund created by section 17 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal year, any funds remaining in the rail freight fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 703. After receiving notification from a railroad company pursuant to section 8 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.58, the department shall immediately notify the house of representatives and senate appropriations subcommittees on transportation and the state budget office that the railroad company has filed with the appropriate governmental

agencies for abandonment of a line.

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Sec. 704. From the funds appropriated in part 1, the department shall prepare and transmit a report that provides detail 3 regarding the department's obligations for programs funded under the appropriation in part 1 for rail operations and infrastructure. The report shall include a breakdown of the appropriation by 7 program, year-to-date obligations under each program itemized by project, and an estimate of future obligations under each program 8 itemized by project for the remainder of the fiscal year. The 9 10 initial report shall be submitted to the senate and house 11 appropriations subcommittees on transportation, the state budget 12 director, and the senate and house fiscal agencies, on or before February 1, 2022. The department also shall update and resubmit the 13 14 final report on or before November 1, 2022.

Sec. 706. The Detroit/Wayne County Port Authority shall issue a complete operations assessment and a financial disclosure statement. The operations assessment shall include operational goals for the next 5 years and recommendations to improve land acquisition and development efficiency. The report shall be completed and submitted to the house of representatives and senate appropriations subcommittees on transportation, the state budget director, and the house and senate fiscal agencies by June 30 of each fiscal year for the prior fiscal year.

Sec. 707. (1) Before March 1 of each year, the department will provide to the legislature, the state budget office, and the house and senate fiscal agencies its rail strategic plan. The strategic plan shall include, but is not limited to, a rolling 5-year rail plan and summary of the department's obligations for programs funded under the appropriation in part 1 for rail operations and

infrastructure.

- 2 (2) The rolling 5-year rail plan shall include, but is not
  3 limited to, all the following:
  - (a) A listing by county of all rail infrastructure projects on rail lines within the state utilizing state funds, and the estimated cost of each project.
  - (b) The actual or projected state expenditures for operation of passenger rail service.
  - (c) The actual or projected state expenditures for maintenance of passenger service rail lines.
  - (3) The period of the rolling 5-year rail plan includes the current fiscal year and the 4 fiscal years immediately following the current fiscal year.
  - (4) The summary of the department's obligations for programs funded under the appropriation in part 1 for rail operations and infrastructure shall include a breakdown of the appropriation by program, year-to-year obligations under each program itemized by project, and an estimate of future obligations under each program itemized by project for the remainder of the fiscal year.
  - Sec. 735. For the fiscal year ending September 30, 2022, the appropriation to a street railway pursuant to section 10e(22) of 1951 PA 51, MCL 247.660e, is \$0.
  - Sec. 752. At least once each fiscal year, the department shall meet with representatives of a rail industry trade association to provide information on the availability of rail infrastructure loan and grant funding programs and freight economic development project opportunities.
- 28 Sec. 753. From the funds appropriated in part 1 for marine 29 passenger service, 60% must be spent on eligible entities servicing

multiple destinations. The remaining funds must be spent on eligible entities servicing a single destination.

#### AERONAUTICS FUND

Sec. 801. Except as otherwise provided in section 903 of this part for capital outlay, at the close of the fiscal year, any unobligated and unexpended balance in the state aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund and be appropriated by the legislature in the immediately succeeding fiscal year.

## CAPITAL OUTLAY

Sec. 901. (1) From federal-state-local project appropriations contained in part 1 for the purpose of assisting political entities and subdivisions of this state in the construction and improvement of publicly used airports and landing fields within this state, the state transportation department may permit the award of contracts on behalf of units of local government for the authorized locations not to exceed the indicated amounts, of which the state allocated portion shall not exceed the amount appropriated in part 1.

- (2) Political entities and subdivisions shall provide not less than 5% of the cost of any project under this section, unless a total nonfederal share less than 10% is otherwise specified in federal law. State money shall not be allocated until local money is allocated. State money for any 1 project shall not exceed 1/3 of the total appropriation in part 1 from state funds for airport improvement programs.
  - (3) The Michigan aeronautics commission may take those steps

necessary to match federal money available for airport construction 1 and improvement within this state and to meet the matching 2 requirements of the federal government. Whether acting alone or 3 jointly with another political subdivision or public agency or with this state, a political subdivision or public agency of this state 5 6 shall not submit to any agency of the federal government a project 7 application for airport planning or development unless it is 8 authorized in this part and part 1 and the project application is approved by the governing body of each political subdivision or 9 10 public agency making the application and by the Michigan 11 aeronautics commission.

Sec. 903. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.



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