

Act No. 188  
Public Acts of 1991  
Approved by the Governor  
December 27, 1991  
Filed with the Secretary of State  
December 27, 1991

**STATE OF MICHIGAN  
86TH LEGISLATURE  
REGULAR SESSION OF 1991**

Introduced by Senator Dunaskiss

# **ENROLLED SENATE BILL No. 556**

AN ACT to amend sections 1, 9, 11, and 12 of Act No. 231 of the Public Acts of 1987, entitled as amended "An act to create a transportation economic development fund in the state treasury; to prescribe the uses of and distributions from this fund; to create the office of economic development and to prescribe its powers and duties; to prescribe the powers and duties of the state transportation department, state transportation commission, and certain other bodies; and to permit the issuance of certain bonds," sections 1, 11, and 12 as amended by Act No. 218 of the Public Acts of 1989, being sections 247.901, 247.909, 247.911, and 247.912 of the Michigan Compiled Laws.

*The People of the State of Michigan enact:*

Section 1. Sections 1, 9, 11, and 12 of Act No. 231 of the Public Acts of 1987, sections 1, 11, and 12 as amended by Act No. 218 of the Public Acts of 1989, being sections 247.901, 247.909, 247.911, and 247.912 of the Michigan Compiled Laws, are amended to read as follows:

Sec. 1. As used in this act:

(a) "Administrator" means the person appointed by the department, in accordance with the policies of the commission and civil service rules, to serve as director of the office of economic development.

(b) "Advanced traffic management systems" means the application of new technology designed to monitor, control, and manage the flow of traffic in real-time on a transportation network through traffic detection, communications, traffic control, and information processing technologies. Advanced traffic management systems do not include on-board navigation systems or electronic route guidance systems in a motor vehicle.

(c) "Commercial forest land" means land defined as commercial forest in Michigan's fourth forest inventory completed in May 1981 and reported by the United States department of agriculture in the resource bulletin NC-68 available from the United States forest service's north central experiment station.

(d) "Commission" means the state transportation commission.

(e) "County road agency" means the board of county road commissioners, or if a board does not exist in a county, the agency designated by county charter.

(f) "Department" means the state transportation department.

(g) "Fund" means the economic development fund created in section 2.

(h) "National lakeshore" means land conveyed by this state to the United States and which the United States has designated as national lakeshore.

(i) "National park" means land set aside and designated as a national park by the United States.

(j) "Project" means a transportation road construction or improvement.

(k) "Qualified county" means a county in which a national lakeshore or a national park is located, or a county in which 34% or more of all the land is commercial forest land.

(l) "Rural county" means any county in this state with a population of 400,000 or less.

(m) "Urban county" means a county in this state with a population greater than 400,000.

Sec. 9. (1) A project shall relate to 1 or more of the following categories:

(a) Economic development road projects in any of the following targeted industries:

(i) Agriculture or food processing.

(ii) Tourism.

(iii) Forestry.

(iv) High technology research.

(v) Manufacturing.

(vi) Office centers solely occupied by the owner or not less than 50,000 square feet occupying more than 3 acres of land.

(b) Projects that result in the addition of county roads or city or village streets to the state trunk line system.

(c) Projects for reducing congestion on county primary and city major streets within urban counties including advanced traffic management systems.

(d) Projects for development within rural counties on county rural primary roads or major streets within incorporated villages and cities with a population of less than 5,000.

(2) A project that is within 1 or more of the categories in subsection (1) shall also meet the criteria developed for that category pursuant to section 5.

Sec. 11. (1) Bonds may be issued as authorized by the commission for the purpose of funding projects under this act in the manner provided in sections 18b and 18k of Act No. 51 of the Public Acts of 1951, being sections 247.668b and 247.668k of the Michigan Compiled Laws, and in accordance with the adopted policies of the commission. Bonds shall not be committed for any project under this act until the requirements set forth under section 3(1) have been satisfied.

(2) Projects shall be funded in the following categories in the following amounts:

(a) The first \$5,000,000.00 of the fund shall be distributed each fiscal year to each qualified county in a percentage amount equal to the same percentage amount that the number of acres of commercial forest, national park, and national lakeshore land in each qualified county bears to the total number of acres of commercial forest, national park, and national lakeshore land in all qualified counties in this state.

(b) The next \$2,500,000.00 of the fund shall be distributed each fiscal year for county roads and city and village street improvement on the federal aid to urban system in rural counties.

(3) Of the balance remaining after funding projects pursuant to subsection (2), projects shall be funded in the categories described in section 9 based on the following percentages:

(a) Not more than 50% for economic development road projects in any of the targeted industries.

(b) Not more than 50% for projects that result in the addition of local roads to the state trunk line system.

(c) 25% for projects to reduce congestion on county primary and city major streets within urban counties. The funds shall be distributed for the widening of county primary roads or city major streets or for advanced traffic management systems in counties with populations in excess of 400,000 in accordance with the following formula:

<u>Population</u>	<u>Percentage of Funds</u>
1,750,000 or more	16%
1,000,000 to 1,750,000	40%
600,000 to 1,000,000	20%
400,000 to 600,000	24%

When 2 or more counties occupy the same category, the funds shall be divided equally.

Sec. 12. (1) The federal aid to urban system (FAUS) task force which represents the majority of the communities in the urban area of each county shall select and designate for eligibility widening projects or capital expenditures for advanced traffic management systems for funding under section 11(3)(c) within their respective allocations. One nonvoting member of each task force shall be a designee of and represent the administrator. In the case of widening projects only, the task forces shall designate projects for eligibility as follows:

(a) Projects shall be on the federal aid urban, federal aid primary or federal aid secondary systems.

(b) Projects shall consist of adding travel lanes, left turn lanes, and intersectional improvements to roads with 2 travel lanes carrying more than 10,000 vehicles per day or roads with more than 2 travel lanes carrying more than 25,000 vehicles per day in accordance with traffic counts done on or before July 1, 1987.

(2) If any task force fails to submit sufficient qualified projects to obligate its allocation by July 1 of any fiscal year, those funds shall be made available to the remaining urban task forces in the same proportion as the original allocation.

(3) The individual urban task forces shall propose project result evaluation criteria for all projects to the administrator and the commission for review and comment.

(4) The urban task forces shall report to the administrator on an annual basis the status of all projects selected for funding.

(5) The programs and projects authorized in section 11(3)(c) shall be administered in a similar manner as current local federal aid programs and in accordance with the adopted policies of the commission.

This act is ordered to take immediate effect.

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Secretary of the Senate.

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Clerk of the House of Representatives.

Approved.....

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Governor.