

Act No. 183
Public Acts of 1993
Approved by the Governor
September 29, 1993
Filed with the Secretary of State
September 30, 1993

STATE OF MICHIGAN
87TH LEGISLATURE
REGULAR SESSION OF 1993

Introduced by Senators McManus and DeGrow

ENROLLED SENATE BILL No. 536

AN ACT to make appropriations for the state transportation department and certain transportation purposes for the fiscal year ending September 30, 1994; to provide for the imposition of fees; to provide for reports; to create certain funds; to prescribe certain powers and duties of certain state departments and officials; and to provide for the expenditure of the appropriations.

The People of the State of Michigan enact:

Sec. 101. There is appropriated for the state transportation department and certain state purposes designated in this act for the fiscal year ending September 30, 1994, from the following funds:

STATE TRANSPORTATION DEPARTMENT

APPROPRIATION SUMMARY:

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	3,832.4	
GROSS APPROPRIATION		\$ 2,495,432,300
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	687,279,100	
ADJUSTED GROSS APPROPRIATION		\$ 1,808,153,200
Federal revenues:		
Total federal revenues	410,414,300	
Special revenue funds:		
Total local revenues	5,000,000	
Total private revenues	0	
Total other state restricted revenues	1,392,738,900	
State general fund/general purpose		\$ 0

THE MICHIGAN TRANSPORTATION FUND PROGRAM

APPROPRIATION SUMMARY:

To trunkline fund for:

Rail grade crossing	3,000,000
Executive direction/worker's compensation	33,200
Highways for traffic and safety division	30,000
Bureau of transportation planning	3,842,000
Highways for engineering	2,143,600
Finance and administration	350,300

For Fiscal Year
Ending Sept. 30,
1994

Critical bridge fund	\$ 8,000,000
Economic development fund	36,775,000
Local grant program	33,000,000
Subtotal to state trunkline fund	87,174,100
Transfer to comprehensive transportation fund for administration of railroad safety and tariffs..	1,286,200
To state general fund for:	
Legislative auditor general	153,100
Department of state	71,378,500
Department of treasury	5,937,000
Department of state police	601,100
Department of civil service	609,500
Department of natural resources	293,300
Department of management and budget	263,300
Subtotal to other state departments	79,235,800
Recreation improvement fund	12,721,300
10% to comprehensive transportation	118,094,600
39.1% of adjusted net gross to state trunkline	386,338,100
39.1% of adjusted net gross to county road commissions	386,338,100
21.8% of adjusted net gross to cities and villages	215,400,800
GROSS APPROPRIATION	\$ 1,286,589,000
Special revenue funds:	
Michigan transportation fund	1,286,589,000
State general fund/general purpose	\$ 0

STATE TRUNKLINE FUND PROGRAM

APPROPRIATION SUMMARY:

Full-time equated unclassified positions	6.0
Full-time equated classified positions	3,641.2
GROSS APPROPRIATION	\$ 995,432,600
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	179,324,900
ADJUSTED GROSS APPROPRIATION	\$ 816,107,700
Federal revenues:	
Total federal revenues	378,154,300
Special revenue funds:	
Total local revenues	5,000,000
Total private revenues	0
Total other state restricted revenues	432,953,400
State general fund/general purpose	\$ 0

DEBT SERVICE

Trunkline debt service	\$ 26,411,400
GROSS APPROPRIATION	\$ 26,411,400
Appropriated from:	
Special revenue funds:	
State trunkline fund	26,411,400
State general fund/general purpose	\$ 0

INTERDEPARTMENT & STATUTORY CONTRACTS

To state general fund for:	
Department of civil service	\$ 3,080,900
Legislative auditor general	229,700
Department of attorney general	2,185,300
Department of management and budget	992,400
Building occupancy charges-property management	4,113,800
Department of treasury	17,200
Department of commerce (Washington office)	9,300
Department of state police	5,455,600

		For Fiscal Year Ending Sept. 30, 1994
Department of natural resources.....	\$	24,500
GROSS APPROPRIATION.....	\$	16,108,700
Appropriated from:		
Special revenue funds:		
State trunkline fund.....		16,108,700
State general fund/general purpose	\$	0
EXECUTIVE DIRECTION		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions.....	236.7	
Members of the state transportation commission (per diem payments).....	\$	60,000
Director		87,300
Unclassified positions.....		331,900
Administration and data center—159.2 FTE positions		24,210,900
Human resources—40.5 FTE positions		2,697,600
Commission Audit—37.0 FTE positions.....		2,897,200
Federal contingency funds.....		20,000,000
Rent.....		1,600,000
Worker's compensation.....		2,168,100
GROSS APPROPRIATION.....	\$	54,053,000
Appropriated from:		
Interdepartmental grant revenues:		
IDT-MTF to STF program.....		33,200
Federal revenues:		
Federal funds		20,000,000
Special revenue funds:		
State trunkline fund.....		34,019,800
State general fund/general purpose	\$	0
BUREAU OF FINANCE AND ADMINISTRATION		
Full-time equated classified positions.....	263.9	
Administration—263.9 FTE positions	\$	18,212,600
GROSS APPROPRIATION.....	\$	18,212,600
Appropriated from:		
Interdepartmental grant revenues:		
IDT-MTF to STF program.....		350,300
Special revenue funds:		
State trunkline fund.....		17,862,300
State general fund/general purpose	\$	0
BUREAU OF TRANSPORTATION PLANNING		
Full-time equated classified positions.....	204.1	
Administration—204.1 FTE positions	\$	16,802,300
Grants to regional planning councils.....		488,800
GROSS APPROPRIATION.....	\$	17,291,100
Appropriated from:		
Interdepartmental grant revenues:		
IDT-road and bridge construction.....		1,530,200
IDT-Aeronautics fund to STF-administration		226,700
IDT-CTF to STF-administration.....		1,618,500
IDT-MTF to STF program.....		3,842,000
Federal revenues:		
DOT-FHWA Highway research, planning, and construction.....		6,000,000
Special revenue funds:		
State trunkline fund.....		4,073,700
State general fund/general purpose	\$	0

BUREAU OF HIGHWAYS

Full-time equated classified positions.....	2,931.5	
Engineering operations—1,101.9 FTE positions		\$ 69,264,600
Maintenance operations—1,029.6 FTE positions		106,973,100
Program services—800.0 FTE positions		55,030,300
Contract maintenance		98,344,600
GROSS APPROPRIATION		\$ 329,612,600
Appropriated from:		
Interdepartmental grant revenues:		
IDT-equipment rental credit from other department units		18,000,000
IDT-MTF to STF program		2,173,600
IDT-sign and signal credit from road and bridge construction.....		1,968,500
IDT-testing service credit from road and bridge construction		13,000,000
IDT-buildings and facilities-STF		400,000
IDT-road and bridge construction.....		55,406,900
Federal revenues:		
DOT-FHWA Highway research, planning, and construction.....		2,000,000
DOT-NHTSA, State and community highway safety.....		154,300
Special revenue funds:		
State trunkline fund		236,509,300
State general fund/general purpose		\$ 0

HIGHWAY PROGRAMS

Federal aid and road and bridge		\$ 390,718,200
Grants to local programs		78,000,000
Rail grade crossing		3,000,000
Critical bridge program		5,250,000
Critical bridge debt service		3,000,000
GROSS APPROPRIATION		\$ 479,968,200
Appropriated from:		
Interdepartmental grant revenues:		
IDT-MTF to STF capital outlay		8,000,000
IDT-MTF to STF program		36,000,000
Federal revenues:		
DOT-FHWA Highway research, planning, and construction.....		350,000,000
Special revenue funds:		
Local funds		5,000,000
State trunkline fund		80,968,200
State general fund/general purpose		\$ 0

TRANSPORTATION ECONOMIC DEVELOPMENT FUND

Full-time equated classified positions.....	5.0	
Administration—5.0 FTE positions		\$ 537,800
Forest roads		5,000,000
Rural county urban system		2,500,000
Trunkline bonds, series 1989A-EDF (\$100,000,000).....		5,931,400
Target industries/state takeovers		16,937,200
Urban county congestion.....		11,434,300
Rural county primary		11,434,300
GROSS APPROPRIATION		\$ 53,775,000
Appropriated from:		
Interdepartmental grant revenues:		
IDT-MTF to STF program		36,775,000
Special revenue funds:		
General fund restricted purpose		13,000,000
State trunkline fund		4,000,000
State general fund/general purpose		\$ 0

**AERONAUTICS FUND PROGRAM
APPROPRIATION SUMMARY:**

Full-time equated classified positions.....	64.2		
GROSS APPROPRIATION.....		\$	7,989,900
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers			0
ADJUSTED GROSS APPROPRIATION.....		\$	7,989,900
Total federal revenues.....			0
Special revenue funds:			
Total local revenues			0
Total private revenues.....			0
Total other state restricted revenues			7,989,900
State general fund/general purpose		\$	0

INTERDEPARTMENT & STATUTORY CONTRACTS

Department of civil service.....		\$	45,400
Legislative auditor general.....			17,900
Department of attorney general.....			113,000
Department of management and budget.....			19,300
Department of treasury.....			55,900
Department of commerce (Washington office).....			9,300
Overhead			670,400
Rent.....			46,800
Planning.....			226,700
GROSS APPROPRIATION.....		\$	1,204,700
Appropriated from:			
Special revenue funds:			
State aeronautics fund.....			1,204,700
State general fund/general purpose		\$	0

BUREAU OF AERONAUTICS

Full-time equated classified positions.....	64.2		
Administration—64.2 FTE positions		\$	6,085,200
Air marketing/incentive program.....			700,000
GROSS APPROPRIATION.....		\$	6,785,200
Appropriated from:			
Special revenue funds:			
State aeronautics fund.....			6,785,200
State general fund/general purpose		\$	0

**COMPREHENSIVE TRANSPORTATION FUND PROGRAM
APPROPRIATION SUMMARY:**

Full-time equated classified positions.....	127.0		
GROSS APPROPRIATION.....		\$	205,420,800
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers			1,286,200
ADJUSTED GROSS APPROPRIATION.....		\$	204,134,600
Federal revenues:			
Total federal revenues.....			32,260,000
Special revenue funds:			
Total local revenues			0
Total private revenues.....			0
Total other state restricted			171,874,600
State general fund/general purpose		\$	0

DEBT SERVICE

Comprehensive transportation debt service.....		\$	20,711,100
GROSS APPROPRIATION.....		\$	20,711,100

Appropriated from:		
Special revenue funds:		
Comprehensive transportation fund	\$	20,711,100
State general fund/general purpose	\$	0
INTERDEPARTMENT & STATUTORY CONTRACTS		
Department of civil service.....	\$	90,600
Legislative auditor general.....		41,300
Department of attorney general.....		115,600
Department of management and budget.....		43,300
Department of treasury.....		2,700
Department of commerce (Washington office).....		9,300
Overhead		1,359,300
Rent.....		158,800
Planning.....		1,618,500
GROSS APPROPRIATION	\$	<u>3,439,400</u>
Appropriated from:		
Special revenue funds:		
Comprehensive transportation fund		3,439,400
State general fund/general purpose	\$	0
BUREAU OF URBAN & PUBLIC TRANSPORTATION		
Full-time equated classified positions.....		127.0
Administration—127.0 FTE positions	\$	<u>9,203,300</u>
GROSS APPROPRIATION	\$	<u>9,203,300</u>
Appropriated from:		
Interdepartmental grant revenues:		
IDT-MTF to CTF-administration.....		1,286,200
Federal revenues:		
Special revenue funds:		
Comprehensive transportation fund		7,917,100
State general fund/general purpose	\$	0
BUS TRANSIT DIVISION: STATUTORY OPERATING		
Local bus operating.....	\$	95,064,900
Nonurban operating/capital		6,546,000
GROSS APPROPRIATION	\$	<u>101,610,900</u>
Appropriated from:		
Federal revenues:		
DOT-Federal transit act.....		6,546,000
Special revenue funds:		
Comprehensive transportation fund		95,064,900
State general fund/general purpose	\$	0
INTERCITY PASSENGER AND FREIGHT		
Freight property management.....	\$	2,600,000
Detroit/Wayne county port authority		301,900
Intercity bus equipment.....		1,000,000
Rail passenger service		2,950,000
Freight preservation and development.....		7,700,000
Intercity bus service development.....		1,664,000
Marine passenger services.....		1,000,000
Terminal development		650,000
Intercity passenger and freight discretionary		2,128,800
GROSS APPROPRIATION	\$	<u>19,994,700</u>
Appropriated from:		
Federal revenues:		
DOT-Federal transit act.....		1,914,000
DOT-FRA, Local rail service assistance		500,000

Special revenue funds:		
Rail preservation fund	\$	3,000,000
Intercity bus equipment fund		1,000,000
Comprehensive transportation fund		13,580,700
State general fund/general purpose	\$	0

PUBLIC TRANSPORTATION DEVELOPMENT

Specialized services	\$	2,622,300
Local share bonus		1,000,000
Effective service bonus		1,000,000
Municipal credit program		1,000,000
Bus capital		24,600,000
Technical studies		835,000
Ride sharing		262,500
Van pooling		125,000
Bus property management		225,000
Service development and new technology		1,500,000
Planning grants		50,000
Public transportation development discretionary		17,241,600
GROSS APPROPRIATION	\$	50,461,400

Appropriated from:

Federal revenues:

DOT-Federal transit act		23,300,000
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Special revenue funds:

Comprehensive transportation fund		27,161,400
State general fund/general purpose	\$	0
Comprehensive transportation fund		95,064,900
State general fund/general purpose	\$	0

INTERCITY PASSENGER AND FREIGHT

Freight property management	\$	2,600,000
Detroit/Wayne county port authority		301,900
Intercity bus equipment		1,000,000
Rail passenger service		2,950,000
Freight preservation and development		7,700,000
Intercity bus service development		1,664,000
Marine passenger services		1,000,000
Terminal development		650,000
Intercity passenger and freight discretionary		2,128,800
GROSS APPROPRIATION	\$	19,994,700

Appropriated from:

Federal revenues:

DOT-Federal transit act		1,914,000
DOT-FRA, Local rail service assistance		500,000

Special revenue funds:

Rail preservation fund		3,000,000
Intercity bus equipment fund		1,000,000
Comprehensive transportation fund		13,580,700
State general fund/general purpose	\$	0

PUBLIC TRANSPORTATION DEVELOPMENT

Specialized services	\$	2,622,300
Local share bonus		1,000,000
Effective service bonus		1,000,000
Municipal credit program		1,000,000
Bus capital		24,600,000
Technical studies		835,000

	For Fiscal Year Ending Sept. 30, 1994
Ride sharing	\$ 262,500
Van pooling	125,000
Bus property management	225,000
Service development and new technology	1,500,000
Planning grants	50,000
Public transportation development discretionary	17,241,600
GROSS APPROPRIATION	\$ 50,461,400
Appropriated from:	
Federal revenues:	
DOT-Federal transit act	23,300,000
Special revenue funds:	
Comprehensive transportation fund	27,161,400
State general fund/general purpose	\$ 0

GENERAL SECTIONS FOR FISCAL YEAR 1993-94

Sec. 201. (1) In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending in this appropriation act is \$1,392,738,900.00 and state appropriations to be paid to local units of government in section 101 are as follows:

	For Fiscal Year Ending Sept. 30, 1994
State Transportation Department	
Michigan transportation fund	
Local grant program	\$ 33,000,000
Economic development fund	30,368,600
Grants to cities and villages	215,400,800
Grants to county road commissions	386,338,100
Critical bridge program	5,000,000
State trunkline fund	
Grants to local programs	45,000,000
Grants to regional planning councils	488,800
Critical bridge program interest	250,000
Comprehensive transportation fund	
Local bus operating	95,064,900
Bus capital	2,600,000
Marine passenger service	1,000,000
Detroit/Wayne County port authority	301,900
Local ride sharing operating grants	262,500
Planning grants	50,000
Local share bonus	1,000,000
Effective service bonus	1,000,000
Municipal credit program	1,000,000
Specialized services	2,622,300
Total payments to local units of government	\$ 820,747,900

(2) When it appears to the principal executive officer of each department that state spending to local units of government will be less than the amount that was projected to be expended for any quarter, the principal executive officer shall immediately give notice of the approximate shortfall to the department of management and budget, the senate and house appropriations committees, and the senate and house fiscal agencies.

Sec. 202. The appropriations made and the expenditures authorized under this act and the departments, agencies, commissions, boards, offices, and programs for which an appropriation is made under this act are subject to the management and budget act, Act No. 431 of the Public Acts of 1984, being sections 18.1101 to 18.1594 of the Michigan Compiled Laws.

Sec. 203. As used in this act:

- (a) "AASHTO" means the American association of state highway and transportation officials.
- (b) "DOT" means the United States department of transportation.
- (c) "DOT-FHWA" means DOT-federal highway administration.
- (d) "DOT-FRA" means DOT-federal railroad administration.
- (e) "DOT-NHTSA" means DOT-national highway traffic safety administration.
- (f) "FTE" means full-time equated.
- (g) "IDG" means interdepartmental grant.
- (h) "IDT" means intradepartmental transfer.
- (i) "MBE-WBE" means minority business enterprises and women's business enterprises.
- (j) "SMART" means the suburban mobility authority for regional transportation.

Sec. 204. (1) Beginning October 1, 1993, there shall be a hiring freeze imposed on the state classified civil service. State departments and agencies shall be prohibited from hiring any new full-time state classified civil service employees or prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department or to positions that are funded with 80% or more federal or restricted funds.

(2) The director of the department of management and budget shall grant exceptions to this hiring freeze when the director believes that such a hiring freeze will result in rendering a state department or agency unable to deliver basic services. The director of the department of management and budget shall report by the fifteenth of each month to the chairpersons of the senate and house appropriations committees the number of exceptions to the hiring freeze approved during the previous month and the reasons to justify the exception.

Sec. 206. At the same time as a privatization, elimination, retention, or modification analysis is submitted to the civil service commission for approval of a contract that will result in the loss of employment by classified state employees or that will otherwise substantially alter the delivery of a service central to the mission of the department, the department shall submit a copy of the analysis to the house and senate appropriations committees. If a collective bargaining agreement covering state employees described in this section requires prior notification, the department shall submit the analysis to the appropriations committees on or before the date specified in that agreement. The analysis shall include all of the following:

- (a) The justification for privatizing or contracting the function or service.
- (b) The estimated number of classified state employees potentially affected by the contract.
- (c) The civil service criteria used to justify privatization.
- (d) The projected cost savings from privatization, if any, including:
 - (i) Documentation that the savings meets the minimum criteria established by the civil service commission.
 - (ii) The cost of contract monitoring.
 - (iii) The conversion cost associated with termination of state employees.
 - (iv) The conversion revenue associated with the sale of an asset or service to the contractor.
 - (v) Estimated net revenue lost to the state by privatizing the service or function.

(vi) A demonstration that the service would be performed at substantial long-term savings to the state when compared with the cost of performance of the service or function by classified state employees. The demonstration of substantial long-term savings shall be consistent with criteria developed by the department of civil service.

DEPARTMENTAL SECTIONS

Sec. 301. The department may establish a fee schedule and collect fees sufficient to cover the costs of the issuance of the permits which the department is authorized by law to issue upon request, and for which fees are not otherwise stipulated by law.

Sec. 302. The department shall prepare an official transportation map which shall be distributed without charge. Each legislator shall receive a quantity of maps as determined by the legislative council.

Sec. 303. On request, the state treasurer shall provide to a legislator, in writing, a report on the amount of money to be received by each city and village and the county road commission of each county, which city, village, or county is included in whole or in part within the legislator's legislative district.

Sec. 304. To promote more effective management of employees within the bureau of highways, the director of the department may temporarily transfer positions between appropriation units, within and between the highway engineering and highway maintenance programs, to cover functions which the director considers to be critical due to seasonal fluctuations and emergency situations. The department shall report at the end of the fiscal year to the department of management and budget on the temporary cross-divisional transfers of positions pursuant to this section.

Sec. 305. (1) The department shall comply with the state's affirmative action policy and shall establish and maintain an affirmative action program based on the guidelines developed by the Michigan equal employment and business opportunity council established pursuant to Executive Order No. 1983-4.

(2) The department shall programmatically insure that minority owned and women owned businesses be given equal participation opportunities in all aspects of the department's activities and with all governmental units with which the department deals.

Sec. 306. (1) The amounts appropriated and transferred to various state agencies from section 101 shall be expended from the transportation funds pursuant to annual contracts between the department and state agencies providing tax and fee collection and other services applicable to transportation funds. The contracts shall be executed prior to the transfer of these funds. The contracts shall provide, but will not be limited to, the following data applicable to each state agency:

(a) Estimated costs to be recovered from transportation funds.

(b) Description of services financed with transportation funds.

(2) If the spending authorization accounts also are to be used for financing other than transportation fund services, the agency shall submit cost allocation methods and rationale for the portion of costs allocated to transportation funds.

(3) At the close of each fiscal year and before April 1, each state agency shall submit a written report to the department of management and budget stating by spending authorization account the amount of estimated funds contracted with the department, the amount of funds expended, and the amount of funds returned to the transportation funds. A copy of the report shall be submitted to the auditor general and the report shall be subject to audit by the auditor general.

(4) The department and the state agencies with which the department contracts in the manner provided in subsection (1) shall work together to explore methods of minimizing lapses or shortfalls in grants from transportation funds.

Sec. 307. For the purpose of meeting unanticipated needs when current staffing levels may not be sufficient, the department may maintain within the executive division a pool of nonmanagement positions that may be used throughout the department at the discretion of the director.

Sec. 308. The department shall present to the house and senate appropriations transportation subcommittees an updated revenue report as the report becomes available from the office of revenue and tax analysis.

Sec. 309. The department shall not allocate the interest income derived from any notes and bonds until the proposed allocation is approved by the senate and house appropriations committees.

Sec. 310. Any deviation from the road project list annually approved by the state transportation commission, or any changes, including economic development projects, which causes the original order of projects or the status of those projects to change shall be reported to the house and senate appropriations committees on a quarterly basis.

Sec. 311. At the close of the fiscal year ending September 30, 1994, any unencumbered and unexpended balance in the state trunkline fund shall remain in the state trunkline fund and shall be used for federal aid and road and bridge programs pursuant to section 11(1)(d) of Act No. 51 of the Public Acts of 1951, being section 247.661 of the Michigan Compiled Laws, for projects contained in an annual state transportation program approved by the legislature.

Sec. 312. The department shall use part of the funds appropriated in section 101 for highway services to develop a strategy for implementing the concept of intelligent highways and vehicles. Specifically, the department shall investigate methods by which traffic congestion might be reduced in areas which have experienced rapid growth in the volume of traffic. The department shall report its findings to the transportation subcommittees of the house and senate appropriations committees in a timely manner.

Sec. 316. (1) 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 for the department.

(2) The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies or both.

(3) The department shall compile a report to the civil rights commission validating the total contracts in compliance with this section and detailing contracting procedures for the department.

Sec. 317. 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. 318. 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 may require that revenue from the tenants be placed in an account to be used for the costs of maintaining and improving the property.

Sec. 319. From the funds appropriated in section 101, the auditor general shall conduct an audit of charges to transportation funds by state departments. The auditor general shall submit a detailed report, with recommendations and conclusions, including a list of services charged to transportation funds, the appropriateness of charges, and the cost allocation methodologies used in determining the level of funding, to the senate and house appropriations subcommittees on transportation and the senate and house fiscal agencies by January 15, 1994.

Sec. 321. The department may provide for use of the limited access highway located in the vicinity of the International bridge in the city of Sault Ste. Marie and the limited access highway located in the vicinity of the Blue Water bridge in Port Huron for facilities to sell only those articles which are for export and consumption outside the United States to the extent that such use is not restricted by federal law. Revenue derived from these facilities shall be deposited in the fund created pursuant to section 7 of Act No. 99 of the Public Acts of 1954, being section 254.227 of the Michigan Compiled Laws, in the case of the International bridge and in the state trunk line fund in the case of the Blue Water bridge.

Sec. 322. Before January 1, 1994, the department will provide to the legislature a listing by house and senate district or by county road commission of all highway construction projects for the fiscal year and a list of expected projects for the ensuing fiscal year.

Sec. 324. In order to provide a more immediate economic impact and the creation of job opportunities, the department, in conjunction with the house and senate fiscal agencies and the department of management and budget, shall develop a plan to expedite the collection and the disbursement of transportation construction revenues, to effectuate a comprehensive construction program in fiscal year 1993-94.

Sec. 326. The department shall establish an FTE position vacancy accumulated funds account. The department shall transfer into the FTE position vacancy accumulated funds account at the end of each quarter any funds remaining unspent for personnel and related costs for vacancies. A report on the amount transferred each quarter into the vacancy accumulated funds account and the cumulative total in the account shall be submitted to the house and senate appropriations committees and the house and senate fiscal agencies not later than 15 days after the last pay period in each quarter.

Sec. 328. Funds appropriated in this act shall not be used for the purchase of foreign goods or services or both when competitively priced American goods or services or both are available.

Sec. 329. The department shall aggressively pursue compliance with contract specifications for construction of state highways. The department shall identify contractors who fail to meet minimum standards and will actively pursue remuneration efforts. Collections shall be deposited into the appropriate fund accounts.

FEDERAL

Sec. 401. (1) The projected apportionment for this state for the fiscal year ending September 30, 1994, from the intermodal surface transportation efficiency act of 1991, is \$485,556,500.00. The \$485,556,500.00 is projected to be broken down into the following categories (programs) of highway assistance:

For Fiscal Year
Ending Sept. 30,
1994

Interstate construction	\$ 14,494,200
Interstate resurfacing, restoration, rehabilitation, and reconstruction	88,096,300
National highway system	92,149,000
Surface transportation	95,178,100
Bridge	69,080,600
Congestion mitigation and air quality	28,154,900
Donor state bonus	32,508,500
Minimum allocation	51,727,900
Metropolitan planning	4,830,400
Highway research planning and construction	7,901,100
Federal forest	1,435,500
Total apportionment	\$ 485,556,500

(2) When the department receives authorization from the federal highway administration to commit funds from the federal government pursuant to 23 U.S.C. 157, it shall present to the senate and house appropriations transportation subcommittees the department's recommendation for distribution of these funds. If a recommendation or recommendations are not disapproved within 30 business days by the senate and house appropriations transportation subcommittees, then the recommendation or recommendations shall be considered as approved.

Sec. 402. If federal funding is reduced or eliminated for any rail passenger line within the state which includes the 4 lines operating from Grand Rapids-Chicago, Port Huron-Chicago, Detroit-Chicago, and Detroit-Toledo, then the balance in the accounts appropriated under rail passenger operating assistance for the lines operating from Grand Rapids-Chicago and Port Huron-Chicago may be used to continue the operations of any of the 4 rail passenger lines.

Sec. 403. None of the funds appropriated in section 101 in the line item identified as "Federal contingency funds" are available for expenditure until they have been transferred to another line item in this act pursuant to section 393 of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1393 of the Michigan Compiled Laws.

MICHIGAN TRANSPORTATION FUND

Sec. 501. The money received under the motor carrier act, Act No. 254 of the Public Acts of 1933, being sections 475.1 to 479.20 of the Michigan Compiled Laws, and not appropriated to the department of commerce or the department of state police, is deposited in the Michigan transportation fund.

Sec. 502. The state treasurer shall perform audits and make investigations of the disposition of all state funds received by county road commissions and cities and villages for transportation purposes to determine compliance with the terms and conditions of Act No. 51 of the Public Acts of 1951, being sections 247.651 to 247.675 of the Michigan Compiled Laws. The county road commissions shall make available to the state treasurer the pertinent records for the audit.

Sec. 503. If a county road commission has entered into a contract with the department to eliminate or cut roadside weeds and if the weeds were eliminated or cut by a city or township after the city or township has requested the county to perform its contractual obligation, then the department shall reimburse the city or township and shall deduct that amount from the fund appropriated to the county involved. This action shall require prior approval of the state. The department shall consult with the department of agriculture prior to use of plant growth retardant on freeway or highway rights-of-way.

Sec. 504. The appropriations in section 101 for the economic development programs shall not lapse at the end of the fiscal year but shall carry forward each fiscal year for the purposes for which appropriated in accordance with Act No. 231 of the Public Acts of 1987, being sections 247.901 to 247.914 of the Michigan Compiled Laws, and Act No. 233 of the Public Acts of 1987, being sections 247.931 to 247.933 of the Michigan Compiled Laws.

Sec. 505. Interest earned in the economic development fund shall remain in the fund and shall be allocated to the respective programs based on actual interest earned at the end of each fiscal year.

Sec. 506. The department of transportation economic development fund may receive and expend federal, local, or private funds or restricted source funds such as interest earnings for projects that are consistent with the programmatic mission of the fund in addition to funds appropriated in section 101.

Sec. 507. Of the amount appropriated in section 101 from the Michigan transportation fund to the department of state, \$186,600.00 represents the additional cost of issuing specialized license plates for veterans and national guard members, as included in Act Nos. 16, 17, 18, and 19 of the Public Acts of 1989. The department of state shall prepare an annual report on the number of and the additional costs associated with the veteran license plates to the department of transportation and the chairs of the house and senate appropriations subcommittees on transportation. Any unspent funds based on these annual reports shall lapse to the Michigan transportation fund and be distributed in accordance with Act No. 51 of the Public Acts of 1951, being sections 247.651 to 247.675 of the Michigan Compiled Laws.

Sec. 508. (1) Of the amount appropriated in section 101 from the Michigan transportation fund to the department of state, \$187,600.00 represents the additional cost of issuing generic license plates for nonprofit fraternal or public service organizations, as included in section 803m of the Michigan vehicle code, Act No. 300 of the Public Acts of 1949, being section 257.803m of the Michigan Compiled Laws.

(2) The department of state shall prepare an annual report on the number of, and the additional costs associated with, the generic license plates to the state transportation department, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies.

(3) Any unspent funds based on these annual reports shall lapse to the Michigan transportation fund to be distributed in accordance with Act No. 51 of the Public Acts of 1951, being sections 247.651 to 247.675 of the Michigan Compiled Laws.

Sec. 509. The department's ability to satisfy transportation economic development fund appropriation deductions in section 101 shall not be limited to collections and accruals pertaining to services provided in fiscal year 1993-94, but shall also include reimbursements, refunds, adjustments, and interest earnings from prior years. Collections or accruals from services provided in fiscal years 1987-88 through 1992-93 may be credited to the transportation economic development fund for purposes of satisfying current year appropriation deductions.

STATE TRUNKLINE FUND

Sec. 601. Pursuant to section 11 of Act No. 286 of the Public Acts of 1964, being section 247.811 of the Michigan Compiled Laws, the amount appropriated in section 101 for the state transportation commission may be expended for per diem payments at the rate of \$75.00 per day, not to exceed \$10,000.00 in the fiscal year for each member of the state transportation commission.

Sec. 602. (1) From the appropriation in section 101 for urban center maintenance, funds shall be expended to provide summer jobs for youths throughout the state.

(2) Payments made through the summer jobs for youth program to recipients of public assistance who are not head of a household are considered to be county training program incentives.

(3) Following termination of income from this program and upon application by the recipient, the department of social services shall process the application according to procedures designed to reinstate with a minimum of delay the cash grants of persons determined eligible.

Sec. 603. The department shall make the use of recycled oil and rubber products or recapped tires in departmental vehicles and recycled asphalt in roads a priority where safely possible.

Sec. 604. The amounts appropriated in section 101 from the state trunkline fund for the critical bridge fund program and transportation economic development fund represent interest earned by the critical bridge and economic development subfunds.

Sec. 605. From funds appropriated in section 101 for the vehicle inspection/maintenance program, the department of transportation shall provide funding to the department of state to maintain critical field and central office auto emissions testing-certificate of compliance/vehicle registration document checks in order to assure compliance with state requirements and federal clean air act provisions.

Sec. 606. It is the legislature's intent that the transportation commission issue additional revenue bonds and increase to 20% the amount of gas tax revenue for the purposes of debt retirement, pursuant to Act No. 51 of the Public Acts of 1951, being sections 247.651 to 247.675 of the Michigan Compiled Laws. The additional debt service is intended to issue more revenue bonds to specifically address the maintenance and repair of bridges particularly in southeast Michigan.

COMPREHENSIVE TRANSPORTATION FUND

Sec. 701. Money which is returned to the state as repayment for a loan for intercity bus equipment is not money to be deposited in the comprehensive transportation fund under section 10b of Act No. 51 of the Public Acts of 1951, being section 247.660b of the Michigan Compiled Laws, but is money that is deposited in an intercity bus equipment fund for appropriation for the purchase and repair of intercity bus equipment. Proceeds received by the state from the sale of intercity bus equipment are deposited in an intercity bus equipment fund for appropriation for the purchase and repair of intercity bus equipment. Security deposits from the lease of state owned intercity bus equipment not returned to the lessee of such equipment under terms of the lease agreement are deposited in an intercity bus equipment fund for appropriation for the repair of intercity bus equipment.

Sec. 702. Money which is received by the state as repayment for loans made for rail or water freight capital projects, and as a result of the sale of a property or equipment used or projected to be used for rail or water freight projects shall be deposited in the fund created by section 17 of the state transportation preservation act of 1976, Act No. 295 of the Public Acts of 1976, being section 474.67 of the Michigan Compiled Laws.

Sec. 703. Funds appropriated in section 101 shall not be used for rail freight and water freight operating assistance, unless approved by the house and senate appropriations subcommittees on transportation. For purposes of this section, funds utilized for weed and brush spraying/removal on state owned or leased rail property and funds utilized to finance, in part, annual certified financial audits required of railroads operating on state owned or leased property shall not be considered operating assistance.

Sec. 704. Funds appropriated under this act shall not be provided to a transportation authority for the construction of a bus terminal, unless the department determines that the facility is designed to also act as a terminal for intercity carriers.

Sec. 705. (1) The appropriation in section 101 for van pooling shall be administered by the bureau of transportation planning of the department through grants to eligible authorities and eligible governmental agencies to insure coordination between van and car pooling programs and the transit systems operated by the eligible authorities and eligible governmental agencies.

(2) The department shall utilize competitive bidding for each grant awarded under subsection (1).

Sec. 708. Entities operating railroads and receiving appropriations under section 101 shall expend those appropriations for goods and services of manufacturers, suppliers, and service companies located in this state, whenever practicable, if the goods and services are comparably priced and reasonably available.

Sec. 709. (1) The following rail lines are designated as an essential corridor in Michigan and shall receive priority in matters concerning operation, maintenance, and rehabilitation:

ANN ARBOR RAILROAD SYSTEM:

Toledo to north of Ann Arbor (Osmer).

Pittsfield Junction to Saline.

STATE OF MICHIGAN OWNED RAIL LINES (ACTIVE):

North of Ann Arbor (Osmer) to Durand, Durand to Owosso via Central Michigan Railway trackage rights, and then Owosso to Ashley to Cadillac to Thompsonville.

(Tuscola and Saginaw Bay Railway)

Owosso north to Swan Creek. (TSB)

Cadillac north to Petoskey via Walton Junction. (TSB)

Walton Junction to Traverse City. (TSB)

Grawn via Traverse City to Williamsburg. (TSB)

Millington to Vassar to Munger. (TSB)

Vassar to Caro to Colling. (TSB)

Iron Mountain to Ontonagon via Channing. (Escanaba and Lake Superior Railroad)

Hillsdale to Indiana State Line via Reading. (Hillsdale County Railway)

Hillsdale to east of Quincy via Jonesville. (HCRC)

Jonesville to Litchfield. (HCRC)

Linwood to Sallings via West Branch and Grayling. (Detroit and Mackinac Railway)

Riga to west of Adrian. (Adrian and Blissfield Railroad)

Grosvenor to River Raisin. (A&B)

STATE OF MICHIGAN OWNED RAIL LINES (INACTIVE):

Weston to Morenci. (Inactive)

Arnheim to Lake Linden. (Inactive)

Thompsonville to Frankfort. (Inactive)

TUSCOLA AND SAGINAW BAY RAILWAY:

Middleton to Ashley.

HURON AND EASTERN RAILWAY:

Denmark Junction to Harger (Saginaw).

Saginaw to Bad Axe.

Bad Axe to Kinde.

Bad Axe to Croswell.

Palms to Harbor Beach.

Poland to Sandusky.

NORFOLK SOUTHERN RAILWAY COMPANY:

Detroit to Ohio State Line via Milan.

CSX TRANSPORTATION:

Ohio State Line to Saginaw via Plymouth and Flint.

Detroit to Grand Rapids via Plymouth and Lansing.

Grand Rapids to Indiana State Line via Holland and St. Joseph.

Holland to Montague via Muskegon.

Holland to Hamilton.

Berry to Fremont.

Saginaw to Brown City.

Saginaw to Midland.

Saginaw to Bay City to Essexville.

Saginaw to Paines.

Grand Rapids to Baldwin via Newaygo.

Baldwin to Ludington via Walhalla.

Walhalla to Manistee/Filer City.

Port Huron to Marine City.

MID-MICHIGAN RAILROAD:

Paines to Elwell via Alma.

Elmdale to Greenville.

COE RAIL, INC.:

Wixom to east of Walled Lake.

GRAND TRUNK WESTERN RAILROAD (CN NORTH AMERICA):

Port Huron to Indiana State Line via Flint, Durand, Lansing, Battle Creek, and Cassopolis.

Durand to Detroit via Pontiac.

Dearborn to Ohio State Line via Flat Rock and Dundee.

Port Huron to Detroit.

Richmond to Pontiac.

Pontiac to Lake Orion.

Detroit to Ohio State Line via Monroe.

Pavilion to Kalamazoo.

WISCONSIN CENTRAL LIMITED:

Canadian International Boundary at Sault Ste. Marie to Wisconsin State Line via Trout Lake and Gladstone.

Trout Lake to Baraga via Munising Junction and Marquette.

Munising to Munising Junction.

Baraga to Arnheim.

White Pine to Wisconsin State Line via Bergland.

ESCANABA AND LAKE SUPERIOR RAILROAD:

Escanaba/Wells to Channing.

Channing to Republic.

Iron Mountain to Wisconsin State Line.

At Menominee.

CHICAGO AND NORTH WESTERN TRANSPORTATION CO.:

Wisconsin State Line at Menominee to Escanaba via Powers.

Powers to Iron Mountain (Antoine).

Quinnesec to Wisconsin State Line.

Escanaba to Ishpeming.

LAKE SUPERIOR AND ISHPERING RAILROAD:

Marquette to Republic Mine via Eagle Mills and Ishpeming.

Eagle Mills to Tilden Mine.

DETROIT AND MACKINAC RAILWAY:

Bay City to Linwood.

Pinconning to Hawks via Tawas City and Alpena.

Alabaster Junction to Alabaster.

Alpena to Paxton.

Posen to Rogers City.

Sallings to Cheboygan via Gaylord.

CENTRAL MICHIGAN RAILWAY:

Durand to Bay City via Saginaw.

Bay City to Midland.

Durand to Marne via Owosso and Ionia.

CONSOLIDATED RAIL CORPORATION:

Detroit to Kalamazoo via Jackson and Battle Creek.

Jackson to Lansing.

Detroit to Toledo.

Detroit to Carleton.

Detroit to Utica.

Jackson to Ackerson Lake.

Ottawa Lake to Ohio State Line.

Grand Rapids to Indiana State Line via Kalamazoo.

White Pigeon Junction to Sturgis.

Kalamazoo to Portage (Upjohn).

Plainwell to Otsego.

Grand Rapids to Kentwood (44 Street).

NATIONAL RAILROAD PASSENGER CORPORATION:

Kalamazoo to Indiana State Line via Niles.

CANADIAN NATIONAL RAILWAYS:

Detroit River Tunnel.

St. Clair River Tunnel.

DELRAY CONNECTING RAILROAD:

At Detroit.

KALAMAZOO LAKE SHORE AND CHICAGO RAILWAY:

Hartford to Paw Paw.

LEELANAU TRANSIT CO.:

Hatch's Crossing to Suttons Bay.

LUDINGTON AND NORTHERN RAILWAY:

Ludington to North Epworth.

BRANCH AND ST. JOSEPH COUNTIES RAIL USERS ASSOCIATION:

Sturgis to east of Quincy.

MICHIGAN SHORE RAILROAD:

At Muskegon.

IRON CLIFFS RAILWAY COMPANY:

At Ishpeming.

(2) Any changes to the essential corridor list in subsection (1), including sales of state owned rights-of-way, shall be approved by the house and senate appropriations subcommittees on transportation.

(3) After receiving notification from a railroad company pursuant to section 8 of the state transportation preservation act of 1976, Act No. 295 of the Public Acts of 1976, being section 474.58 of the Michigan Compiled Laws, the department shall immediately notify the house and senate appropriations subcommittees on transportation that the railroad company has filed with the appropriate governmental agencies for abandonment of a line.

Sec. 710. (1) The discretionary accounts in section 101 shall be used for programs and projects as determined by the department. The department shall inform the house and senate appropriations committees of the manner in which the funds in these accounts will be expended not less than 30 days before expenditure.

(2) If a situation arises that is considered to be an emergency by the director of the department, the requirement of informing the house and senate appropriations committees shall be waived. The director shall inform the committees of this action within 5 days of the action.

(3) If the department intends to alter a program after approval, the department shall follow the requirements of subsection (1).

Sec. 712. Funds appropriated in section 101 for local bus new services are to be obligated by contract or purchase agreement only for expenditures in the fiscal year ending September 30, 1994, and shall not be used for future year

obligations. Contracts may be signed for 3 years. However, funds shall be appropriated on an annual basis for each year of the contract.

Sec. 713. (1) The departments of mental health, public health, social services, and transportation, and the office of services to the aging within the department of management and budget shall develop a system to identify and collect the following information annually for each county:

(a) All operational and capital costs of services provided, contracted for, or purchased, to transport clients or program participants within the county, including all other funds received and expended for those purposes by the state department.

(b) Population groups utilizing transportation services by a percentage of the total.

(c) Services accessed through transportation provided by percentages of the dollar total.

(d) All funding sources for transportation and amounts from each source.

(e) If known, provide the existence of interagency or countywide transportation planning or coordination, and the extent to which each state department participates.

(2) On an annual basis a model form shall be obtained from the department of management and budget after for the purpose of providing the information required in subsection (1).

(3) By December 31 of each year, the department shall report to the house and senate appropriations subcommittees on transportation on the development of the system required in subsection (1).

(4) The information collected for the fiscal year shall be submitted by each department by December 31 of the following fiscal year to the respective house and senate appropriations subcommittees and the department of management and budget.

Sec. 714. It is the legislature's intent that the department review the findings of the house appropriations subcommittee on transportation regarding the Michigan central depot in subsequent intermodal studies.

Sec. 715. The department shall make the federal section 16(b)(2) funds, which are allocated to Michigan for provision of transportation services for elderly persons and persons with disabilities, available to urban areas as well as rural areas, where those services which meet the special needs of elderly persons and persons with disabilities are not currently provided by an existing public transit system. Applications for 16(b)(2) funding from urban and from rural areas shall be considered on an equal basis.

Sec. 716. If a railroad continues to exist, the department shall maintain its plans for a rail grade separation in the vicinity of the US 127 bypass around St. Johns.

Sec. 717. Of the funds appropriated in section 101 for the public transportation development discretionary account, \$95,000.00 shall be allocated to the Blue Water area transportation commission to resolve insurance disputes with other transit agencies.

AERONAUTICS FUND

Sec. 801. At the close of the fiscal year ending September 30, 1994, any unobligated and unexpended balance in the state aeronautics fund shall lapse to the state aeronautics fund and be appropriated by the legislature in the succeeding fiscal year.

Sec. 802. Rates charged by the department for use of state aircraft shall be sufficient to cover the cost of maintenance, operation, repair, and replacement of the aircraft.

Sec. 803. (1) Appropriations in section 101 for the air marketing/incentive program include funds for 3 pilot projects to induce airline companies to provide improved air service to Michigan communities.

(2) Before the selection of each pilot project, a market analysis and feasibility study shall be prepared for potential routes which shall include the definition of revenues and expenses estimated for the route under consideration. Costs of the study shall be shared 50% by the state and 50% by local and private sources.

(3) Copies of completed feasibility studies and market analyses shall be provided to the house and senate appropriations subcommittees on transportation 30 days prior to the selection of a pilot project.

(4) The department shall notify the house and senate appropriations subcommittees on transportation within 10 days after the selection of each pilot project.

Sec. 804. The aeronautics program is strongly encouraged to develop possible alternatives for Detroit city airport to remain a vital element in the state aviation system. The legislature's intent for the appropriations in section 101 for the air marketing and incentive program would include securing a major commercial airline to replace Southwest airlines during this fiscal year.

This act is ordered to take immediate effect.

Secretary of the Senate.

Co-Clerk of the House of Representatives.

Approved -----

Governor.